

No. 1982-273

AN ACT

HB 2565

Amending the act of June 23, 1931 (P.L.932, No.317), entitled "An act relating to cities of the third class; and amending, revising, and consolidating the law relating thereto," providing for the use of actual values in determining the taxability of persons and property.

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

Section 1. The act of June 23, 1931 (P.L.932, No.317), known as "The Third Class City Code," reenacted and amended June 28, 1951 (P.L.662, No.164), is amended by adding a section to read:

Section 2503.1. Definitions.—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," the year upon which real property market values are based for the most recently citywide revision of assessment of real property or other prior year upon which the market value of all real property of the city is based. Real property market values shall be equalized within the city and any changes by the board of revision of taxes and appeals shall be expressed in terms of such base year values.

"Board," the board of revision of taxes and appeals in cities of the third class.

"Common level ratio," 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.¹

"Established predetermined ratio," the ratio of assessed value to market value established by the city council and uniformly applied in determining assessed value in any year.

Section 2. Section 2504 of the act, amended June 16, 1972 (P.L.443, No.135), is amended to read:

Section 2504. Assessment of Property; Duties of Assessor.—

(a) The assessor shall make, or cause to be made, during the year one thousand nine hundred fifty-four, and every third year thereafter, a full, just, equal, and impartial assessment of all property, taxable according to the laws of this Commonwealth for county purposes, and all matters and things within the city subject by law to taxation for city purposes, and a just and perfect list of all property exempt by law from taxation, with a just valuation of the same. But nothing hereinbefore contained shall be construed as making taxable for city purposes the classes of personal property which by law are made taxable exclusively for county purposes at the rate of four mills. With his assessment he shall return such dimension, description, or quality of each lot or parcel of land as will be

¹"act of _____, 1982 (P.L. _____, No. _____)" in original.

sufficient to identify the same, together with the number and kind of improvements. At the triennial assessment, the assessor shall, if council so directs by ordinance, classify all real estate in the city, in such manner and upon such testimony as may be adduced before him, so as to distinguish between the buildings on land and the land exclusive of the buildings, and he shall certify to the council the aggregate valuation of all real estate subject to taxation for city purposes within each such classification. At the next triennial assessment following the effective date of this amending act, the assessor shall, if council by ordinance so directs, classify all real estate in such city in such manner and upon such testimony as may be adduced before him so as to distinguish between the buildings on land and the land exclusive of the buildings, and he shall certify to the council the aggregate valuations of all real estate subject to taxation for city purposes within each such classification.

(b) In all cases he shall value, or cause to be valued, the property at the actual value thereof. *In arriving at actual value the city may utilize the current market value or it may adopt a base year market value.* In arriving at such value the price for which any property would separately bona fide sell, or the price at which any property may bona fide actually have been sold, *either in the base year or the current taxable year*, shall be considered, but shall not be controlling. Instead such selling price, estimated or actual, shall be subject to revision by increase or decrease to accomplish equalization with other similar property within the taxing district. It shall be the further duty of the assessor to return annually a list of all the inhabitants over eighteen years of age.

(c) *The board shall assess real property at a value based upon an established predetermined ratio which may not exceed one hundred per centum of actual value. Such ratio shall be established and determined by the city council after proper notice has been given.*

(d) *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.*

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

Section 3. Section 2518 of the act, amended June 14, 1961 (P.L.372, No.206), is amended to read:

Section 2518. Notice to Taxables of Assessments; Appeals.—
 (a) The assessor shall give, or cause to be given, printed or written notice to each taxable of the city, whose property is newly assessed, or whose last previous assessment has been [increased or diminished] *changed*, of ¹ the amount [or sum for which such taxable stands rated in any assessment whatsoever] *of the present assessment, valuation and ratio and the new assessment, valuation and ratio.* The said notice shall not be required to be given to any taxable whose property assessment was not changed as a result of any triennial assessment. The said notice shall also inform the taxable of the requirements of this section as to appealing from any assessment. Such notice may be served personally or by posting

¹"of] changed" in original.

on the premises or by mailing the same to the last known address of the taxable.

(b) Notice similar to that provided for in subsection (a) shall be given when the city changes the established predetermined ratio.

(c) Any person dissatisfied or aggrieved by any assessment, or any change thereof, made by the assessor, may appeal to the said board of revision [and appeal] of taxes and appeals, by filing with the board a statement in writing of intention to appeal, setting forth:

(1) The assessment or assessments by which such person feels aggrieved;

(2) The address to which the board shall mail notice of when and where to appear for hearing.

(d) The statement of intention to appeal shall be filed with the said board not later than thirty days after the notice of assessment has been mailed to the taxable at his last known address, or has been served upon him personally, or has been posted upon the premises. No appeal shall be permitted except upon such a statement of intention as herein required, nor may any taxable appeal as to an assessment not designated in his statement of intention to appeal. The board shall fix the time and place of hearing appeals and shall give at least five days notice to the taxable.

(e) Any triennial assessment made prior to the effective date of this amending act, which did not change a property assessment, is hereby validated irrespective of whether or not written or printed notice of such assessment was given to the taxable.

Section 4. Sections 2520 and 2521 of the act are amended to read:

Section 2520. Custody of Assessment Books; Completion of Work of Board.—*(a) The board of revision of taxes and appeals shall procure and have the custody and control of all books relating to assessment of city taxes, and keep them arranged according to wards and dates, and shall furnish the city assessor the necessary books for making the assessment, which, on the completion of such assessment, shall be returned to such board of revision of taxes and appeals. The board shall complete its labors, and the hearing and determination of all appeals, on or before the first day of December of each year, or as soon thereafter as practicable, after which the assessment shall be copied, by wards, into a tax duplicate or duplicates for the use of the city. The assessment, so corrected and copied, shall be and remain a lawful assessment for the purpose of city taxation until altered as provided in this article. The board shall give notice in writing within five days after its disposition of each appeal, advising the taxable of its decision.*

(b) 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.

(c) 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 per centum 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.

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

Section 2521. Appeals from Decisions of Board; Costs.—***(a)*** Any owner of taxable property who may feel aggrieved by the decision of the board of revision of taxes and appeals as to the assessment or valuation of his taxable property may appeal from the decision of the board of revision of taxes and appeals to the court of common pleas of the county within which such property is situated, and, for that purpose, may present to said court, or file in the prothonotary's office, within sixty days after mailing notice to him that the board of revision of taxes and appeals have held the appeals provided for by law and acted on the said assessments and valuations, a petition signed by him, his agent, or attorney, setting forth the facts of the case. The court shall thereupon, after notice to the said board of revision of taxes and appeals, hear the said appeal and the proofs in the case, and make such orders and decrees touching the matter complained of as to the judges of said court may seem just and equitable, having due regard to the valuation and assessment made of other property in such city. The costs of the appeal and hearing shall be apportioned or paid as the court may direct. The said appeals shall not, however, prevent the collection of the taxes complained of, but in case the same shall be reduced, then the excess shall be returned to the person or persons who shall have paid the same.

(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 per centum 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 5. This act shall apply to appeals initiated after January 1, 1983.

Section 6. This act shall take effect immediately.

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

DICK THORNBURGH