

No. 1984-18

## AN ACT

SB 506

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," further providing for assessments when sewer bans are imposed; redefining the term "established predetermined ratio"; and further providing for ratios.

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

Section 1. The definition of "established predetermined ratio" in section 1.1 of the act of June 21, 1939 (P.L.626, No.294), referred to as the Second Class County Assessment Law, added December 13, 1982 (P.L.1186, No.272), is amended 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:

\* \* \*

"Established predetermined ratio" shall mean the ratio of assessed value to market value established by the **[board of county commissioners] Board of Property Assessment, Appeals and Review** and uniformly applied in determining assessed value in any year.

Section 2. The fourth paragraph of section 13 of the act, amended December 22, 1977 (P.L.349, No.105), is amended to read:

Section 13. \* \* \*

No land assessed as acreage or unimproved property, which is subsequently laid out in residential lots and the plan of such lots is recorded, shall be assessed in excess of the total assessment of the land as acreage or unimproved property for a period of three years after the recording of such plan, or until such time as the lots are actually sold or improved with permanent construction of any new building occupied for residential purposes, whichever period is the shorter. Each such lot as sold shall be subject to reassessment beginning with the date of such sale, and new construction begun thereon shall be subject to reassessment as provided above. When a department or agency of the Commonwealth or a municipality has ordered a sewer connection ban because of a lack of adequate sewage treatment facilities, the real estate affected by the order shall be reassessed for the duration of the order **[or for two years, whichever is the shorter period of time]**. The reassessment shall be based on the value of the best use of the land during the period of the reassessment. New single and multiple dwellings constructed for residential purposes and improvements to existing unoccupied dwellings

or improvements to existing structures for purposes of conversion to dwellings, shall not be valued or assessed for purposes of real property taxes until (1) occupied, (2) conveyed to a bona fide purchaser, or (3) one year from the first day of the month in which falls the sixtieth day after which the building permit was issued or, if no building permit or other notification of improvement was required, then from the date construction commenced. The assessment of any multiple dwelling because of occupancy shall be upon such proportion which the value of the occupied portion bears to the value of the entire multiple dwelling. As used in this paragraph, the word "dwellings" means buildings or portions thereof intended for permanent use as homes or residences and the phrase "affected by the order" shall be defined as the application for a building permit and the denial to the applicant of permission to proceed with the building or construction because of a sewer ban order.

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Section 3. Section 15 of the act, amended December 13, 1982 (P.L.1186, No.272), 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.

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] at his or her last known address by first class mail.**

When no service is made upon the taxable person **[or upon an adult person residing upon the property assessed,] by an authorized person or by first class mail**, 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 4. (a) Section 2 of this act shall apply to sewer connection bans in effect on and after the effective date of this act.

(b) Sections 1 and 3 of this act shall apply to appeals initiated after January 1, 1984.

Section 5. This act shall take effect immediately.

APPROVED—The 24th day of February, A. D. 1984.

DICK THORNBURGH