

## No. 2004-91

## AN ACT

## SB 1100

Amending the act of May 22, 1933 (P.L.853, No.155), entitled "An act relating to taxation; designating the subjects, property and persons subject to and exempt from taxation for all local purposes; providing for and regulating the assessment and valuation of persons, property and subjects of taxation for county purposes, and for the use of those municipal and quasi-municipal corporations which levy their taxes on county assessments and valuations; amending, revising and consolidating the law relating thereto; and repealing existing laws," further providing for valuation of property.

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

Section 1. Section 402(b) of the act of May 22, 1933 (P.L.853, No.155), known as The General County Assessment Law, amended December 13, 1982 (P.L.1160, No.268), is amended to read:

Section 402. Valuation of Property.—

\* \* \*

(b) (1) Except as to counties of the first and second class, after any county makes a county-wide revision of assessment of real property at values based upon an established predetermined ratio as required by law or after any county changes its established predetermined ratio, each political subdivision, which hereafter for the first time levies its real estate taxes on that revised assessment or valuation, shall, for the first year, reduce its tax rate, if necessary, for the purpose of having the total amount of taxes levied for that year against the real properties contained in the duplicate for the preceding year, equal, in the case of any taxing district, *the total amount it levied on such properties the preceding year, notwithstanding the increased valuations of such properties under the revised assessment. The tax rate shall be fixed at a figure which will accomplish this purpose.*

(2) *After establishing a tax rate under clause (1), a political subdivision may, by a separate and specific vote, establish a final tax rate for the first year it levies its real estate taxes on a revised assessment or valuation. The tax rate under this clause shall be fixed at a figure which limits the total amount of taxes levied for that year against the real properties contained in the duplicate for the preceding year to not more than ten per centum greater than the total amount it levied on such properties the preceding year, notwithstanding the increased valuations of such properties under the revised assessment.*

(3) For the purpose of determining the total amount of taxes to be levied for said first year *under clauses (1) and (2)*, the amount to be levied on newly constructed buildings or structures or on increased valuations based on new improvements made to existing houses need not be considered. [The tax

**rate shall be fixed for that year at a figure which will accomplish this purpose.]**

(4) With the approval of the court of common pleas, upon good cause shown, any such political subdivision may increase the tax rate herein prescribed, notwithstanding the provisions of this subsection.

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Section 2. This act shall take effect in 60 days.

APPROVED—The 15th day of July, A.D. 2004.

EDWARD G. RENDELL