



# City of Philadelphia

City Council  
Chief Clerk's Office  
402 City Hall  
Philadelphia, PA 19107

**BILL NO. 040020**

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**Introduced January 22, 2004**

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**Councilmembers Nutter and Goode**

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**Re-Referred to the  
Committee of the Whole**

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## **AN ORDINANCE**

Amending Chapter 19-1300 of the Philadelphia Code, entitled "Real Estate Taxes," by providing discounts and penalties related to the installment payments and new fiscal year billing, and to guarantee that payments are applied to current year tax first to avoid accumulation of additions and penalties.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Chapter 19-1300 of The Philadelphia Code is hereby amended to read as follows:

### CHAPTER 19-1300. REAL ESTATE TAX.

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§19-1303. Discounts and Additions to Tax.

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(6) *This Section 19-1303 is effective with respect to all real estate taxes due on or before March 31, 2005.*

§19-1303a. *Discounts and Additions to Tax.*

*Unless otherwise provided by special ordinance, this ordinance applies to taxes due and payable commencing July 1, 2005:*

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- (1) *Taxpayers electing one annual payment: Upon all real estate taxes paid in full up to and including the last day of August of the fiscal year in which such taxes shall be assessed and payable, or within twenty (20) days of the date of mailing of the tax bill, whichever is later, a discount of one percent (1%) shall be allowed.*
- (2) *Upon all real estate taxes paid under the installment method, or any real estate taxes otherwise paid on or after September 1 of the fiscal year in which such taxes shall be assessed and payable, no discounts shall be allowed.*
- (3) *Upon all real estate taxes paid thereafter, additions shall be imposed as follows:*
  - (a) *With respect to the minimum first quarterly tax payment due on July 15, if paid on or after July 16 and prior to July 1 of the next ensuing calendar year, an addition of one and one-half percent (1.5%) for each month the tax is not paid;*
  - (b) *With respect to the minimum second quarterly tax payment due on October 15, if paid on or after October 16 and prior to July 1 of the next ensuing calendar year, an addition of one and one-half percent (1.5%) for each month the tax is not paid;*
  - (c) *With respect to the minimum third quarterly tax payment due on January 15, if paid on or after January 16 and prior to July 1 of that calendar year, an addition of one and one-half percent (1.5%) for each month the tax is not paid;*
  - (d) *With respect to the minimum fourth quarterly tax payment due on April 15, if paid on or after April 16 and prior to July 1 of that calendar year, an addition of one and one-half percent (1.5%) for each month the tax is not paid;*
  - (e) *With respect to the total tax payment due where an election to pay on the installment method option is not exercised on or before August 30 of the fiscal tax year, if paid on or after September 1 of that taxable year and prior to July 1 of the following calendar year, an addition of one and one-half percent (1.5%) for each month the tax is not paid.*
- (4) *Upon all real estate taxes remaining due and unpaid on the first day of July of the year following the fiscal year for which such taxes are assessed and payable, there shall be added:*

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- (a) *as an addition to tax, such amounts as are provided in the following schedule:*
  - (i) *Quarterly payment due July 15—eighteen percent (18%) of the tax due; plus*
  - (ii) *Quarterly payment due October 15—thirteen and one-half percent (13.5%) of the tax due; plus*
  - (iii) *Quarterly payment due January 15—nine percent (9.0%) of the tax due; plus*
  - (iv) *Quarterly payment due April 15—four and one-half percent (4.5%) of the tax due.*
  - (v) *Annual payment due August 31—sixteen and one-half percent (16.5%) of the tax due.*
- (b) *interest at the rate of three-quarters of one percent (0.75%) per month, or part thereof, and*
- (c) *a penalty of one percent (1.0%) on the first day of each month from August 1 through February 1 during the twelve (12) months in which such tax is registered as delinquent.*
- (5) *The forgoing cumulative additions, penalties and interest are exhibited in the following charts:*
- (6) *With respect to all real estate tax payments, the Department of Revenue shall credit such payments to the current year's tax due, with any excess credited first to current year additions, then to delinquent taxes and accumulated penalties and interest.*
- (7) *The Department shall at all times display, in large figures and in a conspicuous place in the tax collection office, the amount of tax and discount or addition and penalty fixed by this Chapter or by special ordinance.*

*§19-1303a-1. Special Discounts and Penalty Provisions for Fiscal Years 2006 and 2007.*

*Notwithstanding the forgoing, the following discounts, penalties and interest shall apply solely with respect to certain payments of tax due for fiscal years 2006 and 2007:*

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- (1) *Upon all fiscal year 2005 and 2006 real estate taxes paid in full, up to and including the fifteenth day of July of the respective fiscal year, or within twenty (20) days of the date of mailing of the first tax bill for that fiscal year, whichever is later, a discount of two percent (2%) shall be allowed.*
- (2) *Upon all fiscal year 2005 and 2006 real estate taxes paid in full, up to and including the last day of August of the respective fiscal year, or within thirty (30) days of the date of mailing of the first tax bill, whichever is later, a discount of one percent (1%) shall be allowed.*
- (3) *Upon all fiscal year 2005 and 2006 real estate taxes paid under the installment method, or any fiscal year 2005 and 2006 real estate taxes otherwise paid on or after September 1 of 2005 or 2006, respectively, in which such taxes shall be assessed and payable, no discounts shall be allowed.*
- (4) *Upon all fiscal year 2005 and 2006 real estate taxes paid thereafter, penalties shall be imposed as follows:*
  - (a) *With respect to real estate tax assessed and payable in fiscal year 2006:*
    - (i) *The minimum first and second quarterly tax payments of twelve and one-half percent (12.5%) of the total real estate tax due on July 15, 2005 and October 15, 2005, respectively, and the minimum third quarterly tax payment of fifty percent (50%) of the total real estate tax due on January 15, 2006, if paid on or after March 1, 2006, an addition of one and one-half percent (1.5%) for each month after February 28, 2006 and prior to July 1, 2006, that the tax is not paid;*
    - (ii) *With respect to the minimum fourth quarterly tax payment due on April 15, 2006, if paid on or after April 16, 2006, and prior to July 1, 2006, an addition of three percent (3%);*
    - (iii) *Upon all Fiscal Year 2006 real estate taxes remaining due and unpaid on the first day of July 2006, there shall be added:*
      - a. *Penalties according to the following schedule:*
        - (1) *Quarterly payments due July 15, 2005, October 15, 2005, and January 15, 2006--seven and one-half percent (7.5%) of the tax due, and*

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- (2) *Quarterly payment due April 15, 2006—  
four and one-half percent (4.5%) of the tax due.*
  - b. *Interest at the rate of three-quarters of one percent  
(0.75%) per month, or part thereof, and*
  - c. *An additional penalty of one percent (1.0%) on the first day  
of each month from August of the year in which such tax is  
registered as delinquent through February of the following  
year.*
- (b) *With respect to real estate tax assessed and payable in fiscal year 2007:*
- (i) *The minimum first and second quarterly tax payments of twenty-five percent (25%) of the total real estate tax due on July 15, 2006 and October 15, 2006, respectively, if paid on or after December 1, 2006, an addition of one and one-half percent (1.5%) for each month after October 31, 2006 and prior to July 1, 2007, that the tax is not paid;*
  - (ii) *The minimum third quarterly tax payment of twenty-five percent (25%) of the total real estate tax due on January 15, 2007, and the minimum fourth quarterly tax payment of twenty-five percent (25%) of the total real estate tax due on April 15, 2007, addition shall be as provided in Section 19-1303a(3);*
  - (iii) *Upon all Fiscal Year 2007 real estate taxes remaining due and unpaid on the first day of July 2007, there shall be added:*
    - a. *Penalties according to the following schedule:*
      - 1. *Quarterly payments due July 15, 2006, and October 15, 2006 – ten and one-half percent (10.5%) of the tax due; and,*
      - 2. *Quarterly payments due January 15, 2007, and April 15, 2007 – penalty shall be as provided in Section 19-1303a(3).*
    - b. *Interest at the rate of three-quarters of one percent (0.75%) per month, or part thereof, and*

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- c. An additional penalty of one percent (1.0%) on the first day of each month from August of the year in which such tax is registered as delinquent through February of the following calendar year.*

SECTION 2. This Act shall be effective July 1, 2005.

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**Explanation:**

[Brackets] indicate matter deleted.

*Italics* indicate new matter added.