City of Philadelphia

BILL NO. 190134

Introduced February 28, 2019

Councilmember Domb

**Referred to the
Committee on Finance**

AN ORDINANCE

Amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," by reducing the amount of real estate taxes to be exempted for certain improvements to, or construction of, certain residential, commercial, industrial or other business properties; and by reducing the duration of such exemptions; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

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

CHAPTER 19-1300. REAL ESTATE TAXES

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§19-1303(2). Authorization to Offer Exemption from Real Estate Taxes on Improvements to Residential Properties.

*   *   *

        E.   Exemption Schedule.

        (1)   The assessable amount of the improvement costs shall be exempted from real estate taxes for ten (10) years, *as follows: one hundred percent (100%) of the assessable amount of the improvement costs shall be exempted in the first year through the seventh year; seventy-five percent (75%) in the eighth year; fifty percent (50%) in the ninth year; and twenty-five percent (25%) in the tenth year.* The exemption shall commence for the first year for which improvements would otherwise be taxable. After the tenth year, the exemption shall terminate.

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§19-1303(3). Authorization to Offer Exemptions from Real Estate Taxes on Improvements to Deteriorated Industrial, Commercial or Other Business Properties.

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D.   Exemptions.

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(2)   Exemption schedule.

(a)   The assessable amount of the improvement costs shall be exempted from real estate taxes for ten (10) years*, as follows: one hundred percent (100%) of the assessable amount of the improvement costs shall be exempted in the first year through the seventh year; seventy-five percent (75%) in the eighth year; fifty percent (50%) in the ninth year; and twenty-five percent (25%) in the tenth year.* The exemption shall commence for the first year for which improvements would otherwise be taxable. After the tenth year, the exemption shall terminate.

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§19-1303(4). Authorization to Offer Exemption from Real Estate Taxes on New Construction of Residential Properties.

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E.   Exemption Schedule.

(1)   One hundred percent of the assessable amount of the construction costs shall be exempted from real estate taxes for a period of ten years immediately following the date on which settlement is made, and a required certificate of use and occupancy is issued on an eligible dwelling unit*, as follows: one hundred percent (100%) of the assessable amount of the improvement costs shall be exempted in the first year through the seventh year; seventy-five percent (75%) in the eighth year; fifty percent (50%) in the ninth year; and twenty-five percent (25%) in the tenth year.* After the tenth year, the exemption shall terminate.

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§19-1303(5). Authorization to Offer Exemption from Real Estate Taxes on Improvements to Convert Deteriorated Industrial, Commercial, or Other Business Property to Commercial Residential Use.

<p style="text-align:center">*   *   *</p>

    D.   Exemption Schedule.

      (2)   One hundred percent of the assessable amount of the construction costs shall be exempted from real estate taxes for a period of ten years immediately following the date on which settlement is made, and a required certificate of use and occupancy is issued on an eligible dwelling unit, *as follows: one hundred percent (100%) of the assessable amount of the improvement costs shall be exempted in the first year through the seventh year; seventy-five percent (75%) in the eighth year; fifty percent (50%) in the ninth year; and twenty-five percent (25%) in the tenth year.* After the tenth year, the exemption shall terminate.

SECTION 2. This Ordinance shall be effective with respect to applications for exemption filed on or after January 1, 2019.

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Explanation:

Italics indicate new matter added.

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