



# City of Philadelphia

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

**BILL NO. 051060**

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**Introduced November 10, 2005**

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**Councilmembers Kenney and Council President Verna**

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**Referred to the  
Committee of the Whole Council**

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## **AN ORDINANCE**

Amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," by providing that for tax year 2007 and thereafter, real estate taxes imposed by the Board of Education of the School District of Philadelphia on a property shall not increase by more than a specified percentage as the result of an increase in the assessed value of the property as returned by the Board of Revision of Taxes, and by making certain technical amendments; all under certain terms and conditions.

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

SECTION 1. Chapter 19-1800 of The Philadelphia Code is hereby amended to read as follows:

### CHAPTER 19-1800. SCHOOL TAX AUTHORIZATION

§19-1801. Authorization of Tax.

\* \* \*

(2) For each of the following years, the tax imposed by the Board of Education of the School District of Philadelphia shall be at the following respective rates on each one hundred dollars (\$100) of [assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year immediately preceding the stated year] *the Taxable Assessed Value of the property as calculated under subsection 19-1801(3)*:

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<u>Year of Tax</u>	<u>Tax Rate</u>
1964 to 1965	\$0.12
1966 to 1973	\$0.425
1974	\$0.825
1975 to 1976	\$1.125
1977 to 1980	\$1.225
1981 to 1983	\$1.60
1984	\$1.90
1985 to 1988	\$2.295
1989 to 1990	\$2.445
1991 to 2002	\$2.844
2003 and thereafter	\$3.115

(3) *Taxable Assessed Value.*

(a) *Definitions.*

(i) *Adjusted Base Year Assessment.* The assessed value of a property as returned by the BRT during the Base Year, adjusted for any changes in the Assessment Ratio from the Base Year to the Prior Year. For example, if the assessed value of a property as returned by the BRT during 2005 were \$35,000, based on a market value equal to 71% of actual market value and a predetermined ratio of 32%, and if the BRT, for assessments returned during 2006, computes market value as 100% of actual market value and uses a predetermined ratio of 100%, then the Adjusted Base Year Assessment for tax year 2007 would be  $\$35,000 \times (100\% \div 71\%) \times (100\% \div 32\%) = \$154,049$ .

(ii) *Assessment Ratio.* The ratio the BRT uses to determine the market value of a property from its actual market value (71% for tax year 2005), or the predetermined ratio the BRT uses to determine the assessed value of a property from its market value (32% for tax year 2004).

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(iii) *Base Year. The year preceding the Prior Year.*

(iv) *BRT. The Board of Revision of Taxes.*

(vi) *Prior Year. The year preceding the tax year.*

(b) *For all tax years before tax year 2007, "Taxable Assessed Value" shall equal the assessed value of taxable real property returned by the BRT during the Prior Year.*

(c) *For tax year 2007 and thereafter, "Taxable Assessed Value" shall equal the lesser of:*

(i) *the assessed value of a property as returned by the BRT during the Prior Year, or*

(ii) *the sum of one hundred ten percent (110%) of the Adjusted Base Year Assessment, plus any portion of the assessed value of the property as returned by the BRT during the Prior Year that is solely attributable to the construction of new buildings or structures or to new improvements made to existing buildings and structures.*

(d) *Nothing in this subsection (3) shall affect the manner in which any eligible property is afforded a tax abatement authorized by any other provision of this Code, and the BRT shall continue to administer the abatement programs in the same manner in which it currently administers those programs. The BRT and the Department of Revenue shall promulgate any necessary regulations to effectuate Council's intent as expressed in this subsection.*

[(3) If the Commonwealth of Pennsylvania fails to provide legislation enabling City Council to enact Bill No. 131, introduced April 26, 1984, providing for the imposition of Business Privilege Taxes for Fiscal Year 1985, or if City Council fails to adopt Bill No. 131 for Fiscal Year 1985, the rate of tax shall be two (2) dollars and four and one-half (4½) cents for the year 1985.

(4) In the event that a court of competent jurisdiction enters a final order from which all appeals have been exhausted, determining that City Council lacked the authority to impose this rate effective July 1, 1988 for the year 1989, the rate shall revert to two dollars twenty-nine and one-half cents (\$2.29½) on each one hundred (\$100) dollars of taxable real property for the year 1989.]

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**Explanation:**

[Brackets] indicate matter deleted.  
*Italics* indicate new matter added.