



# City of Philadelphia

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

## **RESOLUTION NO. 130391**

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**Introduced May 9, 2013**

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**Councilmembers Blackwell, Bass and Reynolds Brown**

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### **RESOLUTION**

Calling on the City Council of Philadelphia to support Pennsylvania House Bill 391, Introduced by the Honorable Michael P. McGeehan, State Representative, 173rd Legislative District, Commonwealth of Pennsylvania, which allows for the citizens of the City Philadelphia to pay real estate taxes in installments.

WHEREAS, State Representative Michael P. McGeehan has served the 173rd Legislative District in the Commonwealth of Pennsylvania since 1991; and

WHEREAS, State Represent McGeehan is the Democratic chair of the House Transportation Committee, a member of the Rules Committee, and formerly Majority Chairman of the Pennsylvania House Professional Licensure Committee; and

WHEREAS, On January 29, 2013, State Representative McGeehan introduced House Bill 391, which was subsequently amended and passed out of the House Committee on Urban Affairs on April 29, 2013; and

WHEREAS, State Representative McGeehan's legislation aims to "allow people to make installment plans on their yearly real estate tax bills"; and

WHEREAS, It is estimated that forty percent of Philadelphia residents own their homes outright and have to pay their real estate taxes in a lump sum each year; and

WHEREAS, Many homeowners are either elderly, disabled, veterans, low-income, and/or are on a fixed-income, and thus, are unable to pay their real estate tax in one payment; and

WHEREAS, Many Philadelphian's inherit their properties and are not familiar with the real estate tax system, and may be without the means to pay real estate taxes in a lump sum as Philadelphia's system is currently setup; and

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*RESOLUTION NO. 130391 continued*

WHEREAS, Homeowners who cannot afford to pay their real estate taxes in a lump sum payment, although they do not meet low income criteria, may become delinquent and are assessed penalties, interest, and fines, which place them at risk of having liens placed on their properties, or having their properties put up for sheriff's sale; and

WHEREAS, With the introduction of Actual Value Initiative, many communities and individuals will be negatively impacted through increased real estate taxes; and

WHEREAS, All classes of people will be impacted by AVI, particularly those without the means to pay additional property taxes, including but not limited to the elderly, the disabled, veterans, low-income families, and individuals on a fixed-income; and

WHEREAS, During numerous community meetings over the last several months, many citizens expressed distress about not being able to pay their real estate taxes in a lump sum; and

WHEREAS, House Bill 391 allows the City Council of Philadelphia to determine the frequency and eligibility for the installment program, so that City Council is able to counterbalance the financial interest of the City and the citizens of Philadelphia; and

WHEREAS, Many of Philadelphia's homeowners are the working poor, whose income would disqualify them for some of the real estate tax relief measures, however, they remain without the means to pay their real estate taxes; and

WHEREAS, Philadelphia's City Council and other elected officials can improve the cycle of tax delinquencies and protect the citizens of Philadelphia from being taxed out of their homes; now therefore, be it

Resolved, That the City Council of Philadelphia supports Pennsylvania House Bill 391, Introduced by the Honorable Michael P. McGeehan, State Representative, 173rd Legislative District, Commonwealth of Pennsylvania, to allow for the citizens of Philadelphia to pay real estate taxes in installments.