



City of Philadelphia

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

BILL NO. 030180

Introduced March 27, 2003

Councilmember Nutter

**Referred to the
Committee on Finance**

AN ORDINANCE

Amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," by providing that real estate taxes imposed by the Board of Education of the School District of Philadelphia on a property shall not increase in any one year 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; by providing that if the growth in the total assessed value of all real estate in the City exceeds a specified percentage in any year, then the rate of the real estate tax imposed by the Board of Education will be reduced proportionately; by restating the rates of taxation in tabular form; and by further authorizing the Board of Education to impose a tax on real estate within the City of Philadelphia; 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.

(1) The Board of Education of The School District of Philadelphia is authorized to impose an *annual* tax for school district purposes on real estate within the City of Philadelphia for the [year:] *years 1964 through 2004 and thereafter.*

- [(a) 1964
(b) 1965
(c) 1966
(d) 1967

City of Philadelphia

BILL NO. 030180 continued

(e)	1968
(f)	1969
(g)	1970
(h)	1971
(i)	1972
(j)	1973
(k)	1974
(l)	1975
(m)	1976
(n)	1977
(o)	1978
(p)	1979
(q)	1980
(r)	1981
(s)	1982
(t)	1983
(u)	1984
(v)	1985
(w)	1986
(x)	1987
(y)	1988
(z)	1989
(aa)	1990
(bb)	1991
(cc)	1992
(dd)	1993
(ee)	1994
(ff)	1995
(gg)	1996
(hh)	1997
(ii)	1998
(jj)	1999
(kk)	2000
(ll)	2001
(mm)	2002
(nn)	2003 and thereafter.]

(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 the Taxable Assessed Value of the property as calculated under subsection 19-1801(4):*

City of Philadelphia

BILL NO. 030180 continued

<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	\$3.115
2004 and thereafter	The rate provided under §19-1801(3)

(3) *Tax Rates for Tax Year 2004 and thereafter.*

(a) *Definitions.*

(i) *Base Year Assessed Value.* The total assessed value of all property in the City as certified by the Board of Revision of Taxes for calendar year 2002 for imposition of tax in tax year 2003.

(ii) *Maximum Assessed Value.*

(A) *For tax year 2004, Base Year Assessed Value multiplied by 1.05.*

(B) *For tax years 2005 and thereafter, the Maximum Assessed Value for the prior tax year, multiplied by 1.05.*

City of Philadelphia

BILL NO. 030180 continued

(iii) *Rate Adjustment Factor.* For any given tax year, the Rate Adjustment Factor equals the ratio of Maximum Assessed Value for that tax year to the total assessed value of all property in the City as certified by the Board of Revision of Taxes for the year prior to the tax year, provided that if such ratio is greater than one, then the Rate Adjustment Factor shall equal one.

(b) The tax rate for tax year 2004 and thereafter shall equal \$3.115 multiplied by the Rate Adjustment Factor for that tax year, rounded to the nearest one-tenth of one cent (\$0.001).

(4) *Taxable Assessed Value.*

(a) For tax years prior to 2003, "Taxable Assessed Value" shall equal the assessed value of taxable real property returned by the Board of Revision of Taxes for the year preceding the tax year.

(b) For tax year 2003, "Taxable Assessed Value" shall equal the lesser of (i) the assessed value of a property as returned by the Board of Revision of Taxes during 2002, or (ii) the sum of 110% of the assessed value of the property as returned by the Board of Revision of Taxes during 2001 plus any increase in the assessed value of the property as returned by the Board of Revision of Taxes during 2002 that is solely attributable to the construction of new buildings or structures or to new improvements made to existing buildings and structures.

(c) For tax year 2004 and thereafter, "Taxable Assessed Value" shall equal the lesser of (i) the assessed value of a property as returned by the Board of Revision of Taxes for the year prior to the tax year, or (ii) 110% of the Taxable Assessed Value of the property for the prior tax year plus any increase in the assessed value of the property as returned by the Board of Revision of Taxes during for the year prior to the tax 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 (4) shall affect the manner in which any eligible property is afforded a tax abatement authorized by any other provision of this Code, and the Board of Revision of Taxes shall continue to administer the abatement programs in the same manner in which it currently administers those programs. The Board of Revision of Taxes and the Department of Revenue shall promulgate any necessary regulations to effectuate Council's intent as expressed in this subsection.

(5) 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.

City of Philadelphia

BILL NO. 030180 continued

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.

(6) 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.

[(2) The tax imposed by the Board of Public Education of the School District of Philadelphia shall be at the rate of twelve and one-half (12½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made:

(a) in the year 1963 for the imposition of tax for the year 1964; and

(b) in the year 1964 for the imposition of tax for the year 1965.

(3) The tax imposed by the Board of Public Education of the School District of Philadelphia shall be at the rate of forty-two and one-half (42½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1965 for the imposition of tax for the year 1966.

(4) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of forty-two and one-half (42½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1966 for the imposition of tax for the year 1967.

(5) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of forty-two and one-half (42½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1967 for imposition of tax for the year 1968.

(6) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of forty-two and one-half (42½) cents of each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1968 for imposition of tax for the year 1969.

(7) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of forty-two and one-half (42½) cents on each one hundred (100)

City of Philadelphia

BILL NO. 030180 continued

dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1969 for imposition of tax for the year 1970.

(8) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of one (1) dollar and twelve and one-half (12½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1975 for the imposition of tax for the year 1976.

(9) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of one (1) dollar and twenty-two and one-half (22½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1976 for the imposition of tax for the year 1977.

(10) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of one (1) dollar and twenty-two and one-half (22½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1977 for the imposition of tax for the year 1978.

(11) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of one (1) dollar and twenty-two and one-half (22½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1978 for the imposition of tax for the year 1979.

(12) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of one (1) dollar and twenty-two and one-half (22½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1979 for the imposition of tax for the year 1980.

(13) The tax imposed by the Board of Education of The School District of Philadelphia shall be at the rate of one (1) dollar and sixty (60) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1981 for the imposition of tax for the year 1982.

(14) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of one (1) dollar and sixty (60) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of

City of Philadelphia

BILL NO. 030180 continued

Taxes as the assessment made in the year 1982 for the imposition of tax for the year 1983.

(15) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of one (1) dollar and ninety (90) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1983 for the imposition of tax for the year 1984.

(16) The tax imposed by the Board of Education of The School District of Philadelphia shall be at the rate of two (\$2.00) dollars and twenty-nine and one-half (\$.295) cents on each one hundred (\$100.00) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1985 for the imposition of tax for the year 1986.

(17) The tax imposed by the Board of Education of The School District of Philadelphia shall be at the rate of two (2) dollars and twenty-nine and one-half (29½) cents on each one hundred (\$100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1984 for the imposition of tax for the year 1985; provided, that, 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.

(18) The tax imposed by the Board of Education of The School District of Philadelphia shall be at the rate of two (2) dollars and twenty-nine and one-half (29½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1986 for the imposition of tax for the year 1987.

(19) The tax imposed by the Board of Education of The School District of Philadelphia shall be at the rate of two (2) dollars and twenty-nine and one-half (29½) cents on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1987 for the imposition of tax for the year 1988.

(20) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars forty-four and one-half cents (\$2.44½) on each one hundred (\$100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1988 for the imposition of tax for the year 1989. Provided that, in the event that a court of competent jurisdiction enters

City of Philadelphia

BILL NO. 030180 continued

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.

(21) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars forty-four and one-half cents (\$2.44½) on each one hundred (\$100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1989 for the imposition of tax for the year 1990.

(22) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars eighty-four and four-tenths cents (\$2.844) on each one hundred (\$100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1990 for the imposition of tax for the year 1991.

(23) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars eighty-four and four-tenths cents (\$2.844) on each one hundred (\$100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1991 for the imposition of tax for the year 1992.

(24) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred (\$100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1992 for the imposition of tax for the year 1993.

(25) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars eighty-four and four-tenths cents (2.844) on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1993 for the imposition of tax for the year 1994.

(26) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1994 for the imposition of tax for the year 1995.

City of Philadelphia

BILL NO. 030180 continued

(27) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1995 for the imposition of tax for the year 1996.

(28) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1996 for the imposition of tax for the year 1997.

(29) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1997 for the imposition of tax for the year 1998.

(30) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1998 for the imposition of tax for the year 1999.

(31) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred (100) dollars of assessed value of taxable real property as returned by the Board of Revision of Taxes as the assessment made in the year 1999 for the imposition of tax for the year 2000.

(32) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred dollars (\$100) of assessed value of taxable real property as returned by the Board of Revisions of Taxes as the assessment made in the year 2000 for the imposition of tax for the year 2001.

(33) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of two dollars and eighty-four and four-tenths cents (\$2.844) on each one hundred dollars (\$100) of assessed value of taxable real property as returned by the Board of Revisions of Taxes as the assessment made in the year 2001 for the imposition of tax for the year 2002.

City of Philadelphia

BILL NO. 030180 continued

(34) The tax imposed by the Board of Education of the School District of Philadelphia shall be at the rate of three dollars and eleven and one-half cents (\$3.115) on each one hundred dollars (\$100) of assessed value of taxable real property as returned by the Board of Revisions of Taxes as the assessment made in the year 2002 for the imposition of tax for the year 2003.]

SECTION 2. The amendments to Section 19-1801 of The Philadelphia Code effected by this Ordinance are not intended to change any rates of taxation or any other matter with respect to any tax year prior to tax year 2003, but are intended only to restate those rates in a more easily readable form.

Explanation:

[Brackets] indicates matter deleted.

Italics indicate new matter added.