



Legislation Text

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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; ninety percent (90%) in the second year; eighty percent (80%) in the third year; seventy percent (70%) in the fourth year; sixty percent (60%) in the fifth year; fifty percent (50%) in the sixth year; forty percent (40%) in the seventh year; thirty percent (30%) in the eighth year; twenty percent (20%) in the ninth year; and ten percent (10%) 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.

\* \* \*

D. Exemption

(1) Exemption amount.

(a) The Board shall exempt from real estate taxes that portion of the assessment of the eligible property attributable to the actual cost of the qualified improvement. This amount shall be referred to as

the assessable amount of qualified improvement.

(b) The exemption from real estate taxes shall be limited to the qualified improvement for which an owner has applied for an exemption in the manner set forth in subsection D(3) below.

(2) Exemption schedule.

(a) The Board shall exempt from real estate taxes the entire amount of the assessable amount of qualified improvement for a period of ten years, *as follows: one hundred percent (100%) of the assessable amount of the improvement costs shall be exempted in the first year; ninety percent (90%) in the second year; eighty percent (80%) in the third year; seventy percent (70%) in the fourth year; sixty percent (60%) in the fifth year; fifty percent (50%) in the sixth year; forty percent (40%) in the seventh year; thirty percent (30%) in the eighth year; twenty percent (20%) in the ninth year; and ten percent (10%) in the tenth year.* The exemption shall commence in the tax year immediately following the year in which the initial certificate of occupancy for the property is issued. 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.

\* \* \*

E. Exemption Schedule.

(1) [One hundred percent of the] *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; ninety percent (90%) in the second year; eighty percent (80%) in the third year; seventy percent (70%) in the fourth year; sixty percent (60%) in the fifth year; fifty percent (50%) in the sixth year; forty percent (40%) in the seventh year; thirty percent (30%) in the eighth year; twenty percent (20%) in the ninth year; and ten percent (10%) 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 July 1, 2019.

**Explanation:**

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