

Legislation Text

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Amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," by clarifying definitions and process regarding qualification for certain tax abatements based on tax delinquency, 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 hereby amended 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.

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(3) Definitions.

(a) In this Section the following definitions shall apply:

* * *

(.4) Delinquent City and School District of Philadelphia taxes, charges, fees, rents or claims. All City and School District of Philadelphia taxes, charges, fees, rents or claims not paid when due (*including the failure of any employer to pay over to the City any wage taxes that were collected, or that should have been collected but for misclassification of workers*) whether or not liens for such have been filed in the Office of the Prothonotary of the county, and shall include all penalties, additions, interest, and costs due on such delinquent taxes, charges, fees, rents or claims.

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(6) Procedure for Obtaining Exemption.

* * *

(c) The Board of Revision of Taxes in determining whether the exemption shall be granted shall inquire of the Department of Revenue of the City of Philadelphia whether the taxpayer is indebted to the City or School

District of Philadelphia for or on account of any delinquent taxes, charges, fees, rents or claims. *The taxpayer shall provide to the Department such documentation as the Department shall require in order to determine whether there is any delinquency, including whether the taxpayer has paid over to the City all required wage taxes.* The Board of Revision of Taxes shall withhold approval of the application until the taxpayer pays or enters into an agreement with the City of Philadelphia to pay the tax, charge, fee, rent or claim. The Board of Revision of Taxes shall withdraw approval where the taxpayer fails to pay delinquent taxes, charges, fees, rents or claims during the exemption period or fails to comply with his agreement to pay as provided herein. Any withholding or withdrawal of the exemption by the Board of Revision of Taxes pursuant to this subsection shall not be construed to stay the tolling of the exemption period for which a taxpayer would otherwise qualify.

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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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(3) In this Section, the following definitions shall apply:

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(c) Delinquent City and School District of Philadelphia taxes, charges, fees, rents or claims. All City and School District of Philadelphia taxes, charges, fees, rents or claims not paid when due (*including the failure of any employer to pay over to the City any wage taxes that were collected, or that should have been collected but for misclassification of workers*) whether or not liens for such have been filed in the Office of the Prothonotary of the county, and shall include all penalties, additions, interest, and costs due on such delinquent taxes, charges, fees, rents or claims.

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(4) Exemptions.

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(c) Procedure for obtaining exemption.

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(3) The Board of Revision of Taxes in determining whether the exemption shall be granted shall inquire of the Department of Revenue of the City of Philadelphia whether the taxpayer is indebted to the City or School District of Philadelphia for or on account of any delinquent taxes, charges, fees, rents or claims. *The taxpayer shall provide to the Department such documentation as the Department shall require in order to determine whether there is any delinquency, including whether the taxpayer has paid over to the City all required wage taxes.* The Board of Revision of Taxes shall withhold approval of the application until the

taxpayer pays or enters into an agreement with the City of Philadelphia to pay the tax, charge, fee, rent or claim. The Board of Revision of Taxes shall withdraw approval where the taxpayer fails to pay delinquent taxes, charges, fees, rents or claims during the exemption period or fails to comply with his agreement to pay as provided herein. Any withholding shall not be construed to stay the tolling of the exemption period for which a taxpayer would otherwise qualify.

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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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(2) Definitions.

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(f) Delinquent City and School District of Philadelphia taxes, charges, fees, rents or claims. All City and School District of Philadelphia taxes, charges, fees, rents or claims not paid when due (*including the failure of any employer to pay over to the City any wage taxes that were collected, or that should have been collected but for misclassification of workers*) whether or not liens for such have been filed in the office of the prothonotary of the county, and shall include all penalties, additions, interest, and costs due on such delinquent taxes, charges, fees, rents or claims.

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(6) Procedure for Obtaining Exemption.

* * *

(c) The Board of Revision of Taxes in determining whether the exemption shall be granted shall inquire of the Department of Revenue of the City of Philadelphia whether the taxpayer is indebted to the City of Philadelphia or School District of Philadelphia for or on account of any delinquent taxes, charges, fees, rents or claims. *The taxpayer shall provide to the Department such documentation as the Department shall require in order to determine whether there is any delinquency, including whether the taxpayer has paid over to the City all required wage taxes.* The Board of Revision of Taxes shall withhold approval of the application until the taxpayer pays or enters into an agreement with the City of Philadelphia to pay the tax, charge, fee, rent or claim. The Board of Revision of Taxes shall withdraw approval where the taxpayer fails to pay delinquent taxes, charges, fees, rents or claims during the exemption period for failure to comply with his agreement to pay as provided herein. Any withholding or withdrawal of the exemption by the Board of Revision of Taxes pursuant to this subsection shall not be construed to stay the tolling of the exemption period for which a taxpayer would otherwise qualify.

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(11) Periodic Evaluation Requirement. At least once every three years, beginning with the year 2024, the Council shall, by separate ordinance, select an independent expert to evaluate the specific impact on the real estate market of the modification made by subsection 19-1303.4 <https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-213748>(5)(b) to the exemption authorized by Section 19-1303.4 <https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-213748>. The expert shall also comprehensively evaluate the overall impact of the exemptions for commercial and residential construction authorized by Sections 19-1303.2 <https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-213687>, 19-1303.3 <https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-213716> and 19-1303.4 <https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-213748>,, *including the extent to which taxpayers who are delinquent in any City taxes are nonetheless receiving exemptions*, and shall submit recommendations for any modifications to those exemptions. The expert engaged for this purpose shall be selected pursuant to the procedure set forth in Chapter 17-1400 <https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-212114> for the awarding of non-competitively bid contracts. Final copies of the report shall be provided to the Mayor, each member of Council, and to the Clerk of Council, who shall see to it that a copy is posted on the City's official internet site.