



Legislation Text

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Amending Chapter 19-1300 of The Philadelphia Code, entitled “Real Estate Taxes,” by providing that no change by the Board of Revision of Taxes to the ratios it uses to calculate assessed value shall be effective unless Council by ordinance adjusts real estate tax rates so that such change is revenue neutral, or unless Council otherwise approves such change by ordinance; all under certain terms and conditions.

WHEREAS, The Board of Revision of Taxes (“BRT”) has announced its intention to assess properties at 100% of market value beginning with assessments for tax year 2006; and

WHEREAS, The BRT’s intent is that Council will adjust real estate tax rates so that the change to 100% of market value will be revenue neutral; and

WHEREAS, It is Council’s intent in enacting this ordinance to ensure that no change by the BRT to assessment ratios will be effective unless Council by ordinance adjusts real estate tax rates so that the change to the assessment ratios is revenue neutral, or unless Council otherwise by ordinance approves such change; now, therefore,

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 19-1300 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 19-1300. REAL ESTATE TAXES.

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§19-1308. Assessment Ratio Changes by the Board of Revision of Taxes.

(1) Definitions.

(a) Assessment Ratio. Either the ratio the BRT uses to determine the market value of a property from its actual market value (71% for tax year 2004), or the pre-determined ratio the BRT uses to determine the assessed value of a property from its market value (32% for tax year 2004).

(b) BRT. Board of Revision of Taxes.

(2) Whenever the BRT proposes to change an Assessment Ratio, it shall file notice of such proposal with the Clerk of Council, with copies to all members of Council. No such change to an Assessment Ratio shall be effective unless:

(a) Council by ordinance adjusts real estate tax rates (both under this Chapter and under Chapter 19-1800) to a level that Council finds will render the change in Assessment Ratio approximately revenue neutral. Such a finding shall be contained in the ordinance adjusting real estate tax rates, but it shall not be reviewable, and no tax rate shall be subject to challenge on the ground that Council’s finding of approximate

revenue neutrality was in error; or

(b) Council by ordinance makes a finding as to the impact the change in Assessment Ratio will have on tax revenues, and expressly approves such impact and the change in Assessment Ratio. Such ordinance may also adjust real estate tax rates (both under this Chapter and under Chapter 19-1800) to lessen the revenue impact of the change in Assessment Ratio.

(3) If the BRT has filed notice of a proposal to change an Assessment Ratio with the Clerk of Council, but no ordinance required by subsection (2) has been enacted into law at the time the BRT must certify its assessments, then the BRT shall certify assessments based upon the Assessment Ratio last used by the BRT.

Explanation:

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