Legislation Text

File #: 140278, **Version:** 1

Amending Title 19 of The Philadelphia Code, entitled "Finance, Taxes, and Collections," by expanding access to property tax relief programs for owner-occupants, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 19-1301.1 of The Philadelphia Code is hereby amended to read as follows:

§ 19-1301.1. Homestead Exclusion.

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(4) Administration and procedure.

(a) Except as otherwise provided in this subsection, no later than September 13 of the year prior to the year in which the tax is due, the owner or owners of real property may apply to the OPA for designation of property as homestead property. Such application shall be in such form as the OPA shall prescribe, consistent with any form mandated by the Department of Community and Economic Development.

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(.3) The OPA is authorized to grant exceptions to the deadline provided in subsection (a) upon provision by an owner of real property of evidence of hardship or evidence of other good cause, at its discretion, but in no case shall such an extension be beyond December 1 of the year prior to the year in which the tax is due. The OPA shall promulgate such regulations and forms as are deemed necessary to effectuate the purpose of this subsection. The Board of Revision of Taxes is authorized to review any adverse final determination by the OPA relating to an individual's application for an exception in a manner consistent with the provisions for appeal of assessments. Appeals under this subsection shall be limited to whether the OPA abused its discretion in denying the exception to the deadline.

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SECTION 2. Section 19-1305 of The Philadelphia Code is hereby amended to read as follows:

§ 19-1305. Authorization for Installment Payment Agreements, Waiving Additions to Tax and Abating Interest and Penalties Otherwise Due Pursuant to Section 19-1303, and Requiring Commencement of Enforcement Action.

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(2) Authorization for Installment Payments; Waiver of Additions to Tax; Abatement of Interest and Penalties and Requiring Commencement of Enforcement Action.

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(d) Homestead Payment Agreements. Payment agreements with taxpayers are authorized for all amounts due on real estate tax liabilities on the homesteads of taxpayers, subject to the following terms and conditions:

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(.2) Payment agreements shall provide for payment of 100% of all tax liabilities, including capitalized additions, owing through the date of the agreement or March 31 of the year of the agreement, whichever is later, less any waiver of interest or penalties as provided in subsection (.6), below.

(.a) The Department shall provide an opportunity for taxpayers entering into payment agreements to apply for the following programs: Homestead exclusion, pursuant to § 19-1301.1(4)(a)(.3); Deferral, pursuant to § 19-1307(6)(c); Longtime Owner-Occupant Exemption pursuant to Chapter 19-3900(3)(a); and Senior Citizen Low Income Special Tax Provisions pursuant to Chapter 19-2904(1)(a). If a taxpayer is approved for any of these programs and such approval results in the reduction of the taxpayer's total tax liabilities, within thirty (30) days of such approval the Department shall adjust the total amount due under the payment agreement as well as the monthly payment amounts, and shall provide to the taxpayer prompt notice of any adjustments. In negotiating settlements with delinquent taxpayers, the Department may consider the taxpayer's eligibility for relief for which he or she failed to apply.

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(.4) Payment Agreements for Current Real Estate Tax Liabilities. Payment agreements for current year real estate tax liabilities are specially authorized for taxpayers who are senior citizens*,* [and] taxpayers with monthly income up to and including fifty percent (50%) of Area Median Income*, and taxpayers who demonstrate hardship,* for a term not to extend beyond December 31 of the tax year, except that a longer term may be granted at the discretion of the Department. Notwithstanding any provision of this Title to the contrary, for applications received no later than the 31st day of March of the year in which the tax is due and payable, the Department of Revenue shall waive any additions to a current tax liability due on the homestead of a taxpayer who enters an into a payment agreement pursuant to this subsection, provided that the terms of the agreement are fully complied with by the taxpayer. Notwithstanding any provision of this Title to the contrary, any interest and penalties related to current year tax liabilities which shall accrue or become due and payable by any taxpayer shall be abated upon successful completion of a payment agreement entered into pursuant to this

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subsection.

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SECTION 3. Section 19-1307 of The Philadelphia Code is hereby amended to read as follows:

§ 19-1307. Deferrals of Real Estate Tax for Taxpayers Based Upon Household Income, Household Expenses, and Available Liquid Assets.

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(6) *Except as otherwise provided in this subsection, an*[An] Owner requesting deferral pursuant to this Section shall apply in form satisfactory to the Department no later than January 31 of the tax year, certifying that the Owner:

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(c) The Department is authorized to grant exceptions to the deadline provided at the beginning of this subsection (6) upon provision by an owner of real property of evidence of hardship or evidence of other good cause, at its discretion, provided that no exception to the deadline shall be granted with respect to any application received at the time of or after the certification by the Department that total deferrals equal the maximum permitted under subsection (13). The Department shall promulgate such regulations and forms as are deemed necessary to effectuate the purpose of this subsection. The Tax Review Board is authorized to review any adverse final determination by the Department relating to an individual's application for an exception, in like manner and with the same effect as a petition for review, as provided in Chapter 19-1700.

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SECTION 4. Section 19-3905 of The Philadelphia Code is hereby amended to read as follows:

§ 19-3905. Benefit Determinations.

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(3) *Except as otherwise provided in this subsection, no* [No] later than February 17 of each tax year, the owner of any property that meets the criteria set forth in Section 19-3903 and who wishes to participate in the program must apply to the OPA for certification as a participant in the program.

(a) The OPA is authorized to grant exceptions to the deadline provided at the beginning of this subsection (3) upon provision by an owner of real property of evidence of hardship or evidence of other good cause, at its discretion, provided that no exception to the deadline shall be granted with respect to any

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application received at the time of or after the certification by the Department that total exemptions equal the maximum permitted under subsection (7). The OPA shall promulgate such regulations and forms as are deemed necessary to effectuate the purpose of this subsection. The Tax Review Board is authorized to review any adverse final determination by the Department relating to an individual's application for an exception, in like manner and with the same effect as a petition for review, as provided in Chapter 19-1700.

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SECTION 5. Section 19-2904 of The Philadelphia Code is hereby amended to read as follows:

§ 19-2904. Application; Proof of Claim.

(1) *Except as otherwise provided in this subsection, an*[An] application for real estate tax refund or forgiveness of taxes shall be filed with the Department on or before the thirty-first day of January of the calendar year in which real estate taxes are due and payable. Only one taxpayer for each homestead shall be entitled to the real estate tax refund or forgiveness of taxes. If two or more persons residing at any homestead meet the qualification for a real estate tax refund or forgiveness of taxes they may determine among themselves who shall receive the refund or forgiveness of taxes. If they are unable to agree, the Depatment shall determine to whom the refund or forgiveness of taxes is to apply.

(a) The Department is authorized to grant exceptions to the deadline provided in subsection (1) upon provision by an owner of real property of evidence of hardship or evidence of other good cause, at its discretion. The Department shall promulgate such regulations and forms as are deemed necessary to effectuate the purpose of this subsection. The Tax Review Board is authorized to review any adverse final determination by the Department relating to an individual's application for an exception, in like manner and with the same effect as a petition for review, as provided in Chapter 19-1700.

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SECTION 6. Effective date. This Ordinance shall take effect October 1, 2014.

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Explanation:

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

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