



Legislation Text

File #: 150445, Version: 1

Amending Chapter 19-3900 of The Philadelphia Code, entitled “Tax Exemptions for Longtime Owner-Occupants of Residential Properties,” by clarifying that once the “deemed certified market value” is set for purposes of the Longtime Owner Occupants Program (“LOOP”), it shall remain at that value regardless of whether the property is subsequently assessed at a certified market value that is higher or lower than the certified market value that was originally used to calculate the “deemed certified market value”; and by authorizing eligible taxpayers who have obtained the LOOP tax exemption to opt out of the program and to thereafter apply for a homestead exclusion; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 19-3900 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 19-3900. TAX EXEMPTIONS FOR LONGTIME OWNER-OCCUPANTS OF RESIDENTIAL PROPERTIES.

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§ 19-3905. Benefit Determinations.

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(1) For purposes of calculating City and School District real estate taxes, upon application pursuant to subsection (2), below, if the certified market value of an eligible property for any tax year, minus any homestead exclusion, is more than three times the certified market value of such property for the immediately preceding tax year, then the certified market value of such property for such tax year shall be deemed to equal three times the certified market value of such property for the immediately preceding tax year, and no further homestead exclusion shall be allowed. *Regardless of whether the property is subsequently assessed at a lower or higher market value, [T]he foregoing deemed certified market value shall remain the deemed certified market value until such property is sold, transferred or is no longer the principal residence of the eligible taxpayer, or until the eligible taxpayer voluntarily opts out of the program, but in no event for more than ten years.*

(a) Opting out of the program. An eligible taxpayer who is participating in the program authorized by this Chapter may subsequently opt out of the program, provided that such election shall be irrevocable with respect to the property being removed from the program. A taxpayer who opts out of the program may then apply for a homestead exclusion with respect to such property, which shall be evaluated

according to the provisions of Section 19-1301.1.

[(2) The Department of Revenue shall include with the annual property tax bill sent to each taxpayer (a) a notice clearly describing the program authorized by this Chapter, the steps a taxpayer must take to enter into the program, and the deadline for doing so; and (b) an application form. The Department and the OPA shall post a downloadable version of the form on their respective websites.]

(2) The Department of Revenue shall provide notice prior to the annual property tax bill to each taxpayer who could benefit from apply for or opting out of the program, including:

(a) A notice clearly describing the program authorized by this Chapter;

(b) The steps a taxpayer must take to enter into the program and the deadline for doing so;

(c) The steps a taxpayer must take to opt out of the program and thereafter apply for a homestead exclusion, and an explanation that if the taxpayer opts out, the real estate taxes due on the property will thereafter be based on its actual certified market value (minus any homestead exclusion, if any); and

(d) An application form and an opt-out form, which may be combined into one form. The Department and the OPA shall post a downloadable version of the application and opt-out forms on their respective websites.

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SECTION 2. This Ordinance shall take effect immediately.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.