

## Legislation Text

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**File #:** 160200, **Version:** 0

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Amending Title 19 of The Philadelphia Code, entitled “Finance, Taxes and Collections,” by amending Chapter 19-1300 of The Philadelphia Code, entitled “Real Estate Taxes,” to impose additional requirements on tax abatements, 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 to read as follows:

CHAPTER 19-1300. REAL ESTATE TAXES.

\* \* \*

§ 19-1303(3). Authorization to Offer Exemptions from Real Estate Taxes on Improvements to Deteriorated Industrial, Commercial or Other Business Properties.

\* \* \*

D. Exemptions.

\* \* \*

(3) Procedure for obtaining exemption.

\* \* \*

*(g) The Board of Revision of Taxes, in determining whether the exemption shall be granted, shall require the taxpayer either (i) to sign a commitment to heat the improvements to be exempted through the Philadelphia Gas Works or (ii) to obtain a waiver of that requirement from the Mayor's Office of Sustainability upon a determination by that office that the taxpayer's proposed heating method is more sustainable than natural gas or that the taxpayer's special circumstances make requiring gas or sustainable heat unreasonable. The Board of Revision of Taxes shall withdraw approval where the taxpayer fails either to contract with the Philadelphia Gas Works or to provide the alternative waiver. Any denial or withdrawal of approval shall not extend the period for which a taxpayer would otherwise qualify.*

(4) Continuation of tax exemption; termination of tax exemption.

(a) The tax exemption granted by the Board of Revision of Taxes shall continue in accordance with this Section, provided that the applicant files an annual certificate of continuing use stating that the property continues to be used for industrial or commercial purposes justifying the granting of the tax exemption. The certificate of continuing use shall be filed with the Board of Revision of Taxes on such forms and containing such information as shall be prescribed by it. The Board of Revision of Taxes shall have

authority to terminate a tax exemption on the failure of the taxpayer to file an annual certificate of continuing use, or on the failure of the taxpayer to pay delinquent taxes, charges, fees, rents or claims, or to comply with his agreement to pay, or on its own determination that the property has ceased to be used for industrial or commercial purposes justifying the granting of an exemption. *Failure to comply with the terms of any agreement or waiver under subsection D(3)(g) also shall be cause for termination.*

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§ 19-1303(4). Authorization to Offer Exemption from Real Estate Taxes on New Construction of Residential Properties.

\* \* \*

E. Exemption Schedule.

\* \* \*

(2) The exemption from taxes granted under this ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property, so long as the dwelling units retain their eligibility. *Continued compliance with the terms of any agreement or waiver under subsection F(8) shall be a condition of retaining eligibility.*

\* \* \*

F. Procedure for Obtaining Exemption.

\* \* \*

*(8) The Board of Revision of Taxes in determining whether the exemption shall be granted shall require the taxpayer either (i) to sign a commitment to heat the improvements to be exempted through the Philadelphia Gas Works or (ii) to obtain a waiver of that requirement from the Mayor's Office of Sustainability upon a determination by that office that the taxpayer's proposed heating method is more sustainable than natural gas or that the taxpayer's special circumstances make requiring gas or sustainable heat unreasonable. The Board of Revision of Taxes shall withdraw approval where the taxpayer fails either to contract with the Philadelphia Gas Works or to provide the alternative waiver. Any denial or withdrawal of approval shall not extend the period for which a taxpayer would otherwise qualify.*

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§ 19-1303(5). Authorization to Offer Exemptions from Real Estate Taxes on Improvements to Convert Deteriorated Industrial, Commercial or Other Business Property to Commercial Residential Use.

\* \* \*

D. Exemption.

\* \* \*

(3) Procedure for obtaining exemption.

\* \* \*

*(c.1) The Board of Revision of Taxes in determining whether the exemption shall be granted shall require the taxpayer either (i) to sign a commitment to heat the improvements to be exempted through the Philadelphia Gas Works or (ii) to obtain a waiver of that requirement from the Mayor's Office of Sustainability upon a determination by that office that the taxpayer's proposed heating method is more sustainable than natural gas or that the taxpayer's special circumstances make requiring gas or sustainable heat unreasonable. The Board of Revision of Taxes shall withdraw approval where the taxpayer fails either to contract with the Philadelphia Gas Works or to provide the alternative waiver. Any denial or withdrawal of approval shall not extend the period for which a taxpayer would otherwise qualify.*

(d) In the event the original owner sells the property, or a portion of the property, for which the Board has granted an exemption and not revoked it, to a new owner, the new owner shall file with the Board an application for the continuation of the exemption within sixty (60) days of the date of the transfer of the property or portion of property. The Board shall continue the exemption so long as the new owner is not indebted for or on account of any tax delinquency, *the new owner complies with the terms of any agreement or waiver under subsection D(3)(c.1),* and the new owner continues to use the property for commercial residential use. The Board shall revoke the exemption if the new owner, during the abatement term, became indebted for or on account of any tax delinquency, *fails to comply with the terms of any agreement or waiver under subsection D(3)(c.1),* or fails to use the property for commercial residential use.

\* \* \*

(4) Continuation of tax exemption; termination of tax exemption.

(a) Once granted by the Board, the tax exemption shall continue in accordance with this Section for any portion of a residential improvement that continues to be used for commercial residential use provided that the owner annually files a certificate of continuing use so stating. The certificate shall be filed with the Board on such forms and contain such information as shall be prescribed by the Board, *including certifying continued compliance with the terms of any agreement or waiver under subsection D(3)(c.1).*

(b) The Board shall have authority to terminate a real estate tax exemption to the extent that the improvement ceases to be used for commercial residential use, on the failure of the owner to file an annual certificate of continuing use, *on the failure of the owner to comply with the terms of any agreement or waiver under subsection D(3)(c.1),* or on the failure of the owner to pay any tax delinquency or comply with his agreement to pay.

\* \* \*

SECTION 2. This Ordinance shall become effective beginning with applications received thirty (30) days after enactment of authorizing legislation by the General Assembly.

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**Explanation:**

[Brackets] indicate matter deleted.

*Italics* indicate new matter added.

