

## Legislation Text

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Amending Title 2 of The Philadelphia Code, entitled “City-County Consolidation,” Chapter 2-300, “Property Assessment,” by adding new language to Section 2-305, “Office of Property Assessment; Chief Assessment Officer; Powers and Duties,” requiring that real estate taxes imposed by Title 19 of The Philadelphia Code, entitled “Finance, Taxes And Collections,” Chapter 19-1300, “Real Estate Taxes,” be levied on the assessed value of taxable real property as established for the immediately preceding stated year in any year in which the audit provided for under Subsection 2-305(2)(s) finds that overall property assessments in the City do not meet industry standards for accuracy, all under certain terms and conditions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

### SECTION 1. Legislative Findings:

(1) The City of Philadelphia Office of Property Assessment reassessed all residential properties for tax year 2019, resulting in increases for about 370,000 properties and raising the median value of a single-family home by 10.5 percent.

(2) The Philadelphia Code Subsection 2-305(2)(s) mandates an audit by an independent firm in which the firm will complete a statistical analysis of the performance of the appraisers and the accuracy of the property assessment to ensure a uniform and accurate system of property taxation.

(3) The Philadelphia Code Subsection 2-305(2)(s) audit issued December 3, 2018, found (among other findings) that, “Overall, property assessments in the City do not meet industry standards for accuracy.”

(4) The Office of Property Assessment bases assessments on insufficient and sometimes erroneous data, lacks routine reports to analyze the quality of assessments, and does not adequately explain its methods to the Public.

(5) The Administration will not undertake another major reassessment of all properties in Philadelphia until it implements needed changes in its Office of Property Assessment. However, delaying another mass appraisal does not mean values will remain frozen: the Office of Property Assessment will issue new values for properties based on market trends.

(6) As a result of the enactment of Bill No. 171009, which became effective as of January 24, 2019, no additions, interest, or penalties accrue while an appeal of a property’s assessed value is pending-under certain terms and conditions.

(7) However, it’s still important to provide a legislative mechanism to ensure that there is a uniform and accurate system of property taxation in which the Public can have confidence upon the completion of a Philadelphia Code Subsection 2-305(2)(s) audit that finds that overall property assessments in the City do not

meet industry standards for accuracy.

SECTION 2. Title 2 of The Philadelphia Code is hereby amended to read as follows:

TITLE 2. CITY-COUNTY CONSOLIDATION

\* \* \*

CHAPTER 2-300. PROPERTY ASSESSMENT

\* \* \*

§ 2-305. Office of Property Assessment; Chief Assessment Officer; Powers And Duties.

\* \* \*

(2) Except as Council may ordain from time to time, the Chief Assessment Officer shall:

\* \* \*

(s) At least once every three years, beginning with the year 2014, undergo an audit by an independent firm in which the firm will complete a statistical analysis of the performance of the appraisers and the accuracy of the property assessment to ensure a uniform and accurate system of property taxation. The Council shall, by separate ordinance, name the firm to be engaged for this purpose, which shall be selected pursuant to the procedure set forth in Chapter 17-1400 for the awarding of non-competitively bid contracts. The individuals supervising or conducting the audit must collectively possess the following qualifications: certification in real estate appraisal valuation by an organization belonging to The Appraisal Foundation or comparable organization; a current Certified General Appraiser License; at least three years of recent experience performing mass appraisal work for a jurisdiction where assessments are performed at least once every ten years; and at least three years of recent experience performing assessment-sales ratio studies, using standards approved by the IA00. The final audit, including responses by the Office of Property Assessment, if any, shall be submitted to the Mayor, President and Chief Clerk of Council. *However, real estate taxes imposed by Title 19 of The Philadelphia Code, entitled "Finance, Taxes and Collections," Chapter 19-1300, "Real Estate Taxes," shall be levied on the assessed value of taxable real property as established for the immediately preceding stated year in any year in which the audit provided for under this subsection finds that overall property assessments in the City do not meet industry standards for accuracy.*

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SECTION 3. Effective Date. This Ordinance shall take effect immediately.

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**Explanation:**

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