

Legislation Text

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Urging the Board of Revision of Taxes to adopt a policy of accepting all *nunc pro tunc* property assessment appeals filed for Tax Year 2023 by January 2, 2023, due to the ongoing delay in mailing of property re-assessment notices.

WHEREAS, Earlier this year, the Philadelphia Office of Property Assessment (OPA) completed a citywide re-assessment of property values for Tax Year 2023 and certified those assessments. State statute requires certification by March 31, 2022. *See* 53 P.S. § 8565(c) (setting certification deadline); and

WHEREAS, The average property assessment increase resulting from that re-assessment was 21%. The average residential property assessment increase was 31%. As reported by the *Philadelphia Inquirer*, residential assessments more than doubled in some neighborhoods; and

WHEREAS, The *Inquirer* also reported that the largest assessment increases were concentrated in predominantly low-income, Black and Brown neighborhoods; and

WHEREAS, The re-assessments also contained some glaring inaccuracies. Frequently, identical homes in comparable condition have assessment disparities of ten of thousands or even hundreds of thousands of dollars. Although an audit commissioned by the OPA concluded that this year's assessments meet industry standards for accuracy, prior independent analyses have found that, while OPA assessments met industry standards at the citywide level, they did not consistently do so at the neighborhood level; and

WHEREAS, Despite its March deadline for certifying property assessments for Tax Year 2023, OPA did not make the re-assessments public until they were published online on May 9, 2022; and

WHEREAS, In past years, the OPA has mailed notices of re-assessment in the April or May following certification. This year, however, the OPA has not yet mailed notices of re-assessment and has stated publicly that it will not mail notices until as late as September 1, 2022; and

WHEREAS, Many property owners have, in the past, relied upon mailed notices for information that a re-assessment has occurred and about options for appealing that assessment. That is particularly true of the taxpayers who were most affected by this year's re-assessments, namely property owners who are elderly, low-income, or Black and Brown; and

WHEREAS, Property owners may file an informal appeal with the OPA, known as First Level Review (FLR), contesting the accuracy or fairness of a property's assessment. The deadline to file for FLR is typically sometime in the May following certification, but this year the deadline will be set on an as-yet undetermined date following the mailing of notices of re-assessment; and

WHEREAS, Property owners may formally appeal their property assessments to the Board of Revision of Taxes (BRT). This year's deadline, under state law, is October 3, 2022. *See* 72 P.S. § 5341.14(a) (setting appeal filing deadline). However, given the extreme delay in mailing of property re-assessment notices this year, and

the digital divide mentioned above, many property owners will not be aware of their property re-assessments until September 2022, less than a month before the deadline for BRT appeals. Moreover, those property owners will have almost no time to file for FLR, much less complete FLR review, before deciding whether to file a BRT appeal; and

WHEREAS, In years involving a large average increase in property assessments, BRT caseloads typically see a spike in volume. Without FLR review to resolve data and assessment errors, the number of formal appeals to the BRT can be expected to see a more severe spike than usual; and

WHEREAS, State law explicitly empowers the BRT to hear appeals filed after the deadline. *See* 72 P.S. § 5020-517. Moreover, the BRT has done so frequently, by granting petitions filed *nunc pro tunc*. In evaluating such petitions, the BRT considers whether the delay in filing was caused by “non-negligence happenstance,” or by otherwise unique and compelling circumstances; and

WHEREAS, This year, a large number of delayed filings will inevitably result from the multi-month delay in mailing of re-assessment notices, which qualifies as both a “non-negligent happenstance” and a compelling factual circumstance; and

WHEREAS, The BRT could individually evaluate and grant requests for *nunc pro tunc* consideration of their property assessment appeals due to the late mailing of re-assessment notices. However, a simpler and more prudent approach would be to adopt a policy, for this year only, of universally granting relief from the filing deadline. Indeed, the BRT already makes blanket exceptions, as a matter of policy, for other situations where circumstances make timely filing of an appeal difficult or impossible, such as the sale of a property or an extreme delay in the mailing of a re-assessment notice; and

WHEREAS, Given the size of this year’s average property assessment increase, and given widespread issues as to assessment accuracy, and given the delay in FLR, the BRT can expect an abnormally high volume of appeals this year. As such, universal relief as to the filing deadline for assessment appeals is unlikely to unduly delay the efficient disposition of the BRT’s case docket; now, therefore, be it

RESOLVED, THAT THE COUNCIL OF THE CITY OF PHILADELPHIA, Urges the Board of Revision of Taxes to adopt a policy of accepting all *nunc pro tunc* property assessment appeals filed for Tax Year 2023 by January 2, 2023, due to the ongoing delay in mailing of property re-assessment notices.