



City of Pittsburgh

510 City-County Building
414 Grant Street
Pittsburgh, PA 15219

Text File

Introduced: 5/15/2012

Bill No: 2012-0410, **Version:** 1

Committee: City Council

Status: Held In Council

WHEREAS, in *Clifton, et. al. v. Allegheny County*, the Pennsylvania Supreme Court ruled that base-year reassessment systems become increasingly inaccurate over time, and further, that Allegheny County's base-year system, as applied, was unconstitutionally non-uniform; and

WHEREAS, although the decision indicated that allowing the base-year assessment system to stand indefinitely was a problem that needed to be addressed on a statewide basis, the Supreme Court also acknowledged that there had been no action by the General Assembly and ordered the court to oversee a reassessment of property in Allegheny County; and

WHEREAS, the Supreme Court decision, and the lack of action by the General Assembly even though several opportunities to do so were presented by the introduction of former House Bill 1661 among other similar bills, has resulted in Allegheny County being unfairly singled-out and subjected to a court-ordered reassessment that is bringing uncertainty and fear to residents, businesses, governments and school districts throughout the county; and

WHEREAS, the specific targeting of Allegheny County's residential and business property taxpayers for disparate treatment will have a negative economic impact within the second largest county in the Commonwealth, resulting in reduced economic development and spending within the County, which will result in reduced state income through sales and use taxes, fuel taxes, and income and other taxes, all at a time at which the Commonwealth is grappling with its own budgetary deficit; and

WHEREAS, there is no difference between the base-year assessment system that Allegheny County is using and the base-year assessment system being used by our neighboring counties, which has enabled those counties to keep their property values in place for decades; and

WHEREAS, prior to 2002, the last reassessment year in Allegheny County, we lagged the nation in property value appreciation, but have seen those values stabilized during the last five years, while national property values have fallen by 3.8 percent; and

WHEREAS, during the last four years, our county has been among the lowest in the nation in home foreclosures and sheriff's sales, and we simply cannot allow the Allegheny County-only court-ordered reassessment to reverse that progress; and

WHEREAS, Senator Wayne D. Fontana has recognized the inequities in our current property reassessment system and proposed two bills to fix the problem; and

WHEREAS, Senate Bill 1280 would provide for a temporary moratorium on court-ordered reassessments

through November 2012 and would apply to all counties undertaking a court-ordered reassessment of real property; and

WHEREAS, Senate Bill 1462 would authorize Allegheny County Council to eliminate property reassessments entirely and replace the revenue through some combination of earned income and net profits tax, personal income tax, sales and use tax, fee per square foot on real property, or any other tax currently authorized by the Commonwealth; and

WHEREAS, it is the judgment of the Council of the City of Pittsburgh that the enactment of a statewide property tax reassessment moratorium would represent a well-reasoned and considered approach to addressing the statewide legislative issue of equity in property tax reassessments; and

WHEREAS, it is further the judgment of the Council of the City of Pittsburgh that the property tax reassessment issues inevitably will continue to affect every county within the Commonwealth on an ongoing basis unless a comprehensive solution that places all counties within Pennsylvania on equal terms can be found; and

WHEREAS, it is also the judgment of the Council of the City of Pittsburgh that a legislative solution would be preferable to burdening the courts and taxpayers with the cost and potential inequities of additional litigation on an *ad hoc*, county-by-county basis with no prospect of a uniform, long-term resolution, and that the General Assembly should avail itself of the opportunity to craft such a legislative solution on its own terms, rather than having one dictated to it by the judiciary; and

NOW, THEREFORE BE IT RESOLVED, that the Council of the City of Pittsburgh does hereby express opposition to the ongoing court-ordered reassessment and ask the Court of Common Pleas to stop the process immediately to return certainty and stability to all residents, businesses, governments and school districts in Allegheny county; and

BE IT FURTHER RESOLVED, that the Council of the City of Pittsburgh joins in the efforts of Senator Wayne D. Fontana, County Executive Rich Fitzgerald, Allegheny County Council and others to combat this unfair and inequitable reassessment process; and

BE IT FURTHER RESOLVED, that the Council of the City of Pittsburgh does hereby call on the Pennsylvania General Assembly to support Senate Bills 1280 and 1462, sponsored by Senator Wayne D. Fontana.