



(Bill No. 961)

AN ORDINANCE

Amending Title 19 of The Philadelphia Code, relating to finance, taxes and collections, by adding a new section authorizing the Board of Revision of Taxes, on behalf of the City of Philadelphia, to exempt, from real estate taxes, improvements to residential property, under certain terms and conditions.

The Council of the City of Philadelphia hereby ordains:

SECTION 1. Title 19 of The Philadelphia Code, relating to finance, taxes and collections, is amended by adding a new section to read as follows:

§1303 (2) AUTHORIZATION TO OFFER EXEMPTION FROM REAL ESTATE TAXES ON IMPROVEMENTS TO RESIDENTIAL PROPERTIES

A. Legislative Findings

1. The Council finds that:

- a. The great majority of Philadelphia's housing was built before 1939, and there are, in all neighborhoods in the City, numbers of occupied and vacant dwellings in need of repair and rehabilitation. It is in the City's interest to encourage such repair and rehabilitation, in order to preserve and improve the City's residential neighborhoods.
- b. Act No. 34 of the Commonwealth of Pennsylvania, authorizing the exemption from real estate taxes of certain improvements to deteriorated dwellings, was duly approved by the Governor of the Commonwealth of Pennsylvania on July 9, 1971.
- c. In accordance with said Act, the Council of the City of Philadelphia has held a public hearing to determine the boundaries of deteriorated neighborhoods within the City of Philadelphia.

B. Eligible Neighborhoods

1. The Council of the City of Philadelphia has found and determined as a fact that Wards 1 through 66, respec-

tively, constitute "eligible neighborhoods" for the purpose of Act No. 34 of 1971.

2. Therefore, persons making improvements to eligible residential properties within the definition contained in this ordinance within any of the foregoing eligible neighborhoods, may apply for, and the Board of Revision of Taxes may grant, a real estate tax exemption upon such improvements in the amount and in the manner hereinafter provided.

C. Definitions

1. In this Section the following definitions shall apply:

- a. Eligible residential property shall be any property containing not more than three (3) dwelling units, one of which is owner occupied located in an eligible neighborhood, and having an assessed building value of less than \$10,000 per dwelling unit; or any property containing one or more dwelling units which has been, or, upon request, is, certified by the Department of Licenses and Inspections or by the Department of Health as unfit for human habitation; or any property containing one or more dwelling units which has been the subject of any order to be vacated, condemned, or demolished by reason of non-compliance with laws, ordinances, or regulations of the City of Philadelphia.
- b. Assessed building value per dwelling unit shall be the building assessment of record at the time of application for abatement, divided by the number of legal dwelling units in the building.
- c. Improvements shall be any repairs, constructions, or reconstruction, including additions and alterations, which have the effect of rehabilitating a structure so that it becomes habitable or attains a higher degree of housing safety, health or amenity, or is brought into compliance with the laws, ordinances, or regulations of the City of Philadelphia. Ordinary upkeep and maintenance shall not be deemed an improvement.

D. Exemption Amount

1. The exemption from real estate taxes shall be limited to that portion of the additional assessment attribut-

able to the actual cost of improvements to eligible property, not in excess of \$10,000 per dwelling unit.

a. The exemption from real estate taxes shall be limited to that improvement for which an exemption has been requested in the manner set forth below, and for which a separate assessment has been made by the Board of Revision of Taxes.

E. Exemption Schedule

1. For the first year in which eligible improvements would otherwise be taxable, one hundred percent of the eligible assessment shall be exempted; for the second year, eighty percent of the eligible assessment shall be exempted; for the third, fourth and fifth years, sixty, forty, and twenty percent, respectively, of the eligible assessment shall be exempted. After the fifth year, the exemption shall terminate.
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.
3. If an eligible property is granted tax exemption pursuant to the ordinance, the improvement shall not, during the exemption period, be considered as a factor in assessing other properties.

F. Procedure for Obtaining Exemption

1. At the time a building permit for the construction of an improvement for which exemption is desired is approved, the taxpayer shall apply to the Board of Revision of Taxes for such exemption. The application shall be in writing upon forms prescribed by the Board of Revision of Taxes.
2. The Board of Revision of Taxes shall determine whether the exemption shall be granted. A copy of the approved request for exemption shall be forwarded by the Board of Revision of Taxes to the taxpayer.
3. Upon completion of the improvement, the taxpayer shall notify the Board of Revision of Taxes, so that the Board may assess the improvements separately for the purpose of calculating the amount of assessment eligible for exemption.
4. The Board of Revision of Taxes shall notify the tax-

payer of the amount of assessment eligible for exemption.

5. Appeals from the re-assessment and the amount eligible for the exemption may be taken by the City or by the taxpayer as provided by law.

CERTIFICATION: This is a true and correct copy of
the original Ordinance approved by the Mayor on

JAN 28 1974

Charles H. Sawyer Jr.

Chief Clerk of the Council