

AMENDMENT: Increase SDP yield by \$94M; additional notice to commercial tenants

Proposed Amendment to Bill No. 120173

Proposed additions in **Bold**
Proposed deletions in ~~Strikethrough~~

AN ORDINANCE

Amending Section 19-1806, entitled "Authorization of Realty Use and Occupancy Tax," to further authorize the Board of Education of the School District of Philadelphia to impose a tax on the use or occupancy of real estate within the School District of Philadelphia, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 19-1806 of The Philadelphia Code is amended to read as follows:

§ 19-1806. Authorization of Realty Use and Occupancy Tax.

(1) Definitions. In this Section the following definitions shall apply:

* * *

(g) OPA. Office of Property Assessment.

(2) Imposition of the Tax.

* * *

(b) The Board of Education of the School District of Philadelphia is authorized to impose a tax for general school purposes on the use or occupancy of real estate within the School District of Philadelphia during the tax years beginning July 1, 2001, July 1, 2002, July 1, 2003, July 1, 2004, July 1, 2005, July 1, 2006, July 1, 2007, July 1, 2008, July 1, 2009, July 1, 2010, July 1, 2011, *July 1, 2012*, and thereafter for the purpose of carrying on any business, trade, occupation, profession, vocation, or any other commercial or industrial activity. This tax is imposed on the user or occupier of real estate.

* * *

(4) Rate and Computation of Tax.

(a) Rate.

* * *

(ii) The tax authorized by this Section shall be measured by the assessed value of the real estate, for the tax years beginning July 1, 2001, July 1, 2002,

AMENDMENT: Increase SDP yield by \$94M; additional notice to commercial tenants

July 1, 2003, July 1, 2004, July 1, 2005, July 1, 2006, July 1, 2007, July 1, 2008, July 1, 2009, July 1, 2010, *and* July 1, 2011, [and] [thereafter] ~~for the six months beginning July 1, 2012,~~ at the rate each year not to exceed four dollars and sixty-two cents (\$4.62) per one hundred (\$100) dollars of the assessed value of the real estate as most recently returned by the Board of Revision of Taxes, *and for the six months beginning July 1, 2012 at the rate not to exceed eight dollars and sixty-seven cents (\$8.67) per one hundred dollars (\$100) of the assessed value of the real estate as most recently returned by the Board of Revision of Taxes .*

*(iii) The tax authorized by this Section shall be measured by the assessed value of the real estate, for the calendar years beginning January 1, 2013 and thereafter, at the rate each year not to exceed the Rate Limit per one hundred (\$100) dollars of the assessed value of the real estate as most recently returned by the OPA, where the Rate Limit equals ~~four dollars and sixty-two cents (\$4.62)~~ *eight dollars and sixty-seven cents (\$8.67)* multiplied by the ratio of (i) the total of the assessed values of all commercial and industrial real property in the City returned by the OPA in 2011 for tax year 2012; to (ii) the total of the assessed values of all commercial and industrial real property in the City returned by the OPA in 2012 for tax year 2013; all as certified by the OPA on or before November 15, 2012.*

* * *

(5) Collection and Payment of the Tax

* * *

(e) Each landlord or other person authorized to collect rentals on premises, the use or occupancy of which is subject to tax under this Section, shall provide written notice to the user or occupier of the premises of the liability of the user or occupier for such tax. Such notice shall include the rate of the tax, the square footage to which it applies, and the intervals upon which it shall be collected by the landlord and remitted to the Commissioner. The Commissioner shall establish by regulation the form of the notice that must be provided. Such notice shall be provided prior to the commencement of such use or occupancy or, in the case of ongoing use or occupancy, within thirty (30) days of this ordinance becoming law.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.

AMENDMENT 1: Additional \$94M revenue on School District millage removed (assumes transfer of increase to U&O); no TY14 increase

Proposed Amendment to Bill No. 120175

Proposed additions in **Bold**

Proposed deletions in ~~Strikethrough~~

AN ORDINANCE

Authorizing real estate taxes for the City of Philadelphia and the School District of Philadelphia for Fiscal Year 2013 and thereafter, by amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," to provide for a tax and tax rate on real property, for exclusions, and for an established predetermined ratio; and by amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," to further authorize the Board of Education of the School District of Philadelphia to impose a tax on real estate within the City of Philadelphia, and providing for a tax rate and for exclusions; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

* * *

SECTION 2. Chapter 19-1800 of The Philadelphia Code is amended to read as follows:

CHAPTER 19-1800. SCHOOL TAX AUTHORIZATION

§ 19-1801. Authorization of Tax.

* * *

(3) For tax year 2013 and thereafter:

(a) The Tax Rate shall be calculated by dividing the Target Revenue Number by the Total Net Taxable Assessed Value.

*(.1) The Target Revenue Number for tax year 2013 and thereafter shall be \$768,925,872 **\$660,074,568**. ~~The Target Revenue Number for tax year 2014 and thereafter shall be \$797,274,089, unless revised by ordinance.~~*

* * *

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.

AMENDMENT 2: No TY14 increase on City side

Proposed Amendment to Bill No. 120175

Proposed additions in **Bold**

Proposed deletions in ~~Strikethrough~~

AN ORDINANCE

Authorizing real estate taxes for the City of Philadelphia and the School District of Philadelphia for Fiscal Year 2013 and thereafter, by amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," to provide for a tax and tax rate on real property, for exclusions, and for an established predetermined ratio; and by amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," to further authorize the Board of Education of the School District of Philadelphia to impose a tax on real estate within the City of Philadelphia, and providing for a tax rate and for exclusions; 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 amended to read as follows:

CHAPTER 19-1300. REAL ESTATE TAXES

§ 19-1301. Real Estate Taxes.

* * *

(2) *For tax year 2013 and thereafter:*

(a) The Tax Rate shall be calculated by dividing the Target Revenue Number by the Total Net Taxable Assessed Value.

(1) The Target Revenue Number for tax year 2013 and thereafter shall be \$512,617,248. ~~The Target Revenue Number for tax year 2014 and thereafter shall be \$531,516,059, unless revised by ordinance.~~

* * *

Explanation:

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

AMENDMENT 3: Adjusted “savings clause” rate of 1.8% combined (0.787% City and 1.013% School District)

Proposed Amendment to Bill No. 120175

Proposed additions in **Bold**
Proposed deletions in ~~Strikethrough~~

AN ORDINANCE

Authorizing real estate taxes for the City of Philadelphia and the School District of Philadelphia for Fiscal Year 2013 and thereafter, by amending Chapter 19-1300 of The Philadelphia Code, entitled “Real Estate Taxes,” to provide for a tax and tax rate on real property, for exclusions, and for an established predetermined ratio; and by amending Chapter 19-1800 of The Philadelphia Code, entitled “School Tax Authorization,” to further authorize the Board of Education of the School District of Philadelphia to impose a tax on real estate within the City of Philadelphia, and providing for a tax rate and for exclusions; 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 amended to read as follows:

CHAPTER 19-1300. REAL ESTATE TAXES

§ 19-1301. Real Estate Taxes.

* * *

(3) In the event that a court of competent jurisdiction enters a final order from which all appeals have been exhausted, determining that City Council lacked the authority to impose [this rate for the year 1989, the rate shall revert to three dollars and fifty and one-half cents (\$3.50 1/2) for the year 1989] *the tax in the manner set forth in subsection (2), then, except as provided in subsection (2)(b)(.5), above, the tax on real property for tax year 2013 and thereafter shall be calculated by multiplying a Tax Rate of ~~One One-Hundreth (0.01)~~ **Seven Hundred and Eighty-Seven Hundred-Thousandths (.00787)** by the assessed value of taxable real property; for purposes of this subsection, “assessed value” shall mean the assessed value returned by the OPA in the year immediately preceding the tax year, minus any homestead exclusion provided for in § 19-1301.1, if allowed.*

* * *

SECTION 2. Chapter 19-1800 of The Philadelphia Code is amended to read as follows:

CHAPTER 19-1800. SCHOOL TAX AUTHORIZATION

§ 19-1801. Authorization of Tax.

AMENDMENT 3: Adjusted “savings clause” rate of 1.8% combined (0.787% City and 1.013% School District)

* * *

(4) In the event that a court of competent jurisdiction enters a final order from which all appeals have been exhausted, determining that City Council lacked the authority to [impose this rate effective July 1, 1988 for the year 1989, the rate shall revert to two dollars twenty-nine and one-half cents (\$2.29 1/2) on each one hundred (\$100) dollars of taxable real property for the year 1989.] *authorize, or the Board of Education lacked the authority to impose, the tax in the manner set forth in subsection (3), then, except as provided in subsection (3)(b)(.6), above, the tax on real property for tax year 2013 and thereafter shall be calculated by multiplying a Tax Rate of ~~Fifteen-One-Thousandths (0.015)~~ One Thousand and Thirteen Hundred-Thousandths (.01013)* by the assessed value of taxable real property; for purposes of this subsection, “assessed value” shall mean the assessed value returned by the OPA in the year immediately preceding the tax year, minus any homestead exclusion provided for in § 19-1301.1, if allowed.

* * *

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.

AMENDMENT 4: Taxpayer Credit in case of over-collection

Proposed Amendment to Bill No. 120175

Proposed additions in **Bold**

Proposed deletions in ~~Strikethrough~~

AN ORDINANCE

Authorizing real estate taxes for the City of Philadelphia and the School District of Philadelphia for Fiscal Year 2013 and thereafter, by amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," to provide for a tax and tax rate on real property, for exclusions, and for an established predetermined ratio; and by amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," to further authorize the Board of Education of the School District of Philadelphia to impose a tax on real estate within the City of Philadelphia, and providing for a tax rate and for exclusions; 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 amended to read as follows:

CHAPTER 19-1300. REAL ESTATE TAXES

§ 19-1301. Real Estate Taxes.

* * *

(4) Taxpayer Credit for Over-collection. To the extent more than \$437,506,112 in current year real estate tax collections (i.e., collections of real estate taxes due and owing for tax year 2013) is received between January 1, 2012 and August 31, 2012, such additional proceeds shall be credited to taxpayers against their real estate tax liability for tax year 2014 on a pro rata basis.

* * *

SECTION 2. Chapter 19-1800 of The Philadelphia Code is amended to read as follows:

CHAPTER 19-1800. SCHOOL TAX AUTHORIZATION

§ 19-1801. Authorization of Tax.

* * *

(5) Taxpayer Credit for Over-collection. To the extent more than \$564,110,444 in current year real estate tax collections (i.e., collections of real estate taxes due and owing for tax year 2013) for the School District is received between

AMENDMENT 4: Taxpayer Credit in case of over-collection

January 1, 2012 and August 31, 2012, such additional proceeds shall be credited to taxpayers against their real estate tax liability for tax year 2014 on a pro rata basis.

* * *

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.

AMENDMENT 5: No smoothing

Proposed Amendment to Bill No. 120175

Proposed additions in **Bold**
Proposed deletions in ~~Strikethrough~~

AN ORDINANCE

Authorizing real estate taxes for the City of Philadelphia and the School District of Philadelphia for Fiscal Year 2013 and thereafter, by amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," to provide for a tax and tax rate on real property, for exclusions, and for an established predetermined ratio; and by amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," to further authorize the Board of Education of the School District of Philadelphia to impose a tax on real estate within the City of Philadelphia, and providing for a tax rate and for exclusions; 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 amended to read as follows:

CHAPTER 19-1300. REAL ESTATE TAXES

§ 19-1301. Real Estate Taxes.

(1) For each of the following years, a tax is hereby levied at the following respective rates on each one hundred (100) dollars of the assessed value of taxable real property returned by the Board of Revision of Taxes in the year immediately preceding the stated year:

Year of Tax	Tax Rate
* * *	* * *
2011 through 2012	\$4.123
[2013 and each year thereafter]	[\$3.305]

(2) *For tax year 2013 and thereafter:*

(a) The Tax Rate shall be calculated by dividing the Target Revenue Number by the Total Net Taxable Assessed Value.

(.1) The Target Revenue Number for tax year 2013 shall be \$512,617,248. The Target Revenue Number for tax year 2014 and thereafter shall be \$531,516,059, unless revised by ordinance.

AMENDMENT 5: No smoothing

(2) Total Net Taxable Assessed Value shall be calculated by adding together the Net Taxable Assessed Value of all taxable real property in the City, as returned by the Office of Property Assessment and as calculated pursuant to subsection (b) below, as certified by the OPA on or before November 15 of the year preceding the tax year. Taxable real property shall include only properties, or portions of properties, not subject to exemption from or abatement of real estate tax.

(b) A tax is hereby levied on all real property in the City in an amount equal to the Tax Rate multiplied by the Net Taxable Assessed Value of the property. Net Taxable Assessed Value shall be calculated by subtracting the amount of Homestead Exclusion, if any, provided for in § 19-1301.1, from the Taxable Assessed Value, as defined below, but in no event may Net Taxable Assessed Value be less than zero.

~~*(.1) For tax year 2013: Taxable Assessed Value shall be calculated by adding together (i) two times the certified market value used by the OPA in calculating the assessed value returned by the OPA in 2011 for tax year 2012; and (ii) the certified market value used by the OPA in calculating the assessed value returned by the OPA in 2012 for tax year 2013; and dividing that sum by three.*~~

~~*(.2) For tax year 2014: Taxable Assessed Value shall be calculated by adding together (i) the certified market value used by the OPA in calculating the assessed value returned by the OPA in 2011 for tax year 2012; and (ii) two times the certified market value used by the OPA in calculating the assessed value returned by the OPA in 2013 for tax year 2014; and dividing that sum by three.*~~

(.31) For tax year 20153 and thereafter: Taxable Assessed Value shall equal the assessed value returned by the OPA in the year immediately preceding the tax year.

(.42) OPA stands for the Office of Property Assessment.

~~*(.5) In the event a court of competent jurisdiction enters a final order from which all appeals have been exhausted, determining that City Council lacked the authority to levy taxes based on certified market value, then, in calculating Taxable Assessed Value, the quotient produced by dividing the assessed value by the established predetermined ratio used to determine the assessed value shall be used instead of certified market value.*~~

* * *

SECTION 2. Chapter 19-1800 of The Philadelphia Code is amended to read as follows:

CHAPTER 19-1800. SCHOOL TAX AUTHORIZATION

§ 19-1801. Authorization of Tax.

AMENDMENT 5: No smoothing

(1) The Board of Education of The School District of Philadelphia is authorized to impose an annual tax for school district purposes on real estate within the City of Philadelphia for the years 1964 through [2012] 2013 and thereafter.

(2) For each of the following years, the tax imposed by the Board of Education of the School District of Philadelphia shall be at the following respective rates on each one hundred dollars (\$100) of assessed value of taxable real property as returned by the Board of Revisions of Taxes as the assessment made in the year immediately preceding the stated year:

Year of Tax	Tax Rate
* * *	* * *
2012	\$3.634
[2013 and each year thereafter]	[\$3.284]

(3) *For tax year 2013 and thereafter:*

(a) The Tax Rate shall be calculated by dividing the Target Revenue Number by the Total Net Taxable Assessed Value.

(.1) The Target Revenue Number for tax year 2013 shall be \$768,925,872. The Target Revenue Number for tax year 2014 and thereafter shall be \$797,274,089, unless revised by ordinance.

(.2) Total Net Taxable Assessed Value shall be calculated by adding together the Net Taxable Assessed Value of all taxable real property in the City, as returned by the Office of Property Assessment and as calculated pursuant to subsection (b) below, as certified by the OPA on or before November 15 of the year preceding the tax year. Taxable real property shall include only properties, or portions of properties, not subject to exemption from or abatement of real estate tax.

(b) The tax imposed by the Board of Education shall be calculated, for all taxable real estate, by multiplying the Tax Rate by the Net Taxable Assessed Value of the property. Net Taxable Assessed Value shall be calculated by subtracting the amount of Homestead Exclusion, if any, provided for in § 19-1301.1, from the Taxable Assessed Value, as defined below, but in no event may Net Taxable Assessed Value be less than zero.

~~*(.1) For tax year 2013: Taxable Assessed Value shall be calculated by adding together (i) two times the certified market value used by the OPA in calculating the assessed value returned by the OPA in 2011 for tax year 2012; and (ii) the certified market value used by the OPA in calculating the assessed value returned by the OPA in 2012 for tax year 2013; and dividing that sum by three.*~~

AMENDMENT 5: No smoothing

~~(.2) For tax year 2014: Taxable Assessed Value shall be calculated by adding together (i) the certified market value used by the OPA in calculating the assessed value returned by the OPA in 2011 for tax year 2012; and (ii) two times the certified market value used by the OPA in calculating the assessed value returned by the OPA in 2013 for tax year 2014; and dividing that sum by three.~~

(.31) For tax year 20153 and thereafter: Taxable Assessed Value shall equal the assessed value returned by the OPA in the year immediately preceding the tax year.

(.42) OPA stands for the Office of Property Assessment.

~~(.5) In the event a court of competent jurisdiction enters a final order from which all appeals have been exhausted, determining that City Council lacked the authority to levy taxes based on certified market value, then, in calculating Taxable Assessed Value, the quotient produced by dividing the assessed value by the established predetermined ratio used to determine the assessed value shall be used instead of certified market value.~~

* * *

Explanation:

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

AMENDMENT 6: Homestead exemption increased to \$40K

Proposed Amendment to Bill No. 120175

Proposed additions in **Bold**

Proposed deletions in ~~Strikethrough~~

AN ORDINANCE

Authorizing real estate taxes for the City of Philadelphia and the School District of Philadelphia for Fiscal Year 2013 and thereafter, by amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," to provide for a tax and tax rate on real property, for exclusions, and for an established predetermined ratio; and by amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," to further authorize the Board of Education of the School District of Philadelphia to impose a tax on real estate within the City of Philadelphia, and providing for a tax rate and for exclusions; 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 amended to read as follows:

CHAPTER 19-1300. REAL ESTATE TAXES

* * *

§ 19-1301.1. Homestead Exclusion.

* * *

(2) Commencing in the first year authorized by the General Assembly, a homestead exclusion is hereby [provided, as follows: For purposes of calculating the amount of tax levied under Section 19-1301 on a taxpayer's homestead property, "the assessed value of taxable real property returned by the Board of Revision of Taxes" shall be such amount actually returned by the Board as the assessed value less an amount equal to the Homestead Exclusion, but no less than zero] *provided in the amount of fifteen forty thousand dollars (\$15,000 \$40,000).*

* * *

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.

