

AN ORDINANCE

Amending Chapter 19-3900 of The Philadelphia Code, entitled “Tax Exemptions for Longtime Owner-Occupants of Residential Properties,” to revise the standards for eligibility and the benefit determination, under certain terms and conditions.

SECTION 1. Chapter 19-3900 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 19-3900. TAX EXEMPTIONS FOR LONGTIME OWNER-OCCUPANTS OF RESIDENTIAL PROPERTIES

§ 19-3901. Declaration of Policy.

The Council of the City of Philadelphia has determined that:

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4. *Beginning with assessments performed in calendar year 2018 for tax year 2019, because of changes in market conditions, properties that experience a fifty percent (50%) or greater increase in certified market value, from one year to the next, are deemed to have experienced an increase in market value as a consequence of the refurbishing or renovating of other residences or the construction of new residences in the area surrounding the property.*

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§ 19-3903. Eligibility for Exemption of Real Property Taxes.

(1) Real property shall be eligible for the exemptions provided for under this Chapter if it meets all of the following conditions:

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(g) *Where the owner is not the owner of record, the owner makes a good faith effort to obtain record title within three years of applying for the exemption provided for by this Chapter 19-3900. Upon a determination that the owner has not made the required good faith effort, the OPA shall notify the owner in writing that the exemption is being revoked; provided that, the OPA shall not revoke an exemption unless the OPA had previously notified the owner in writing of this obligation at the time of the owner’s application or thereafter, and at least three years prior to the revocation.*

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§ 19-3905. Benefit Determinations.

(1) For purposes of calculating City and School District real estate taxes, upon application pursuant to subsection (2), [below, if] *below*:

(a) If the certified market value of an eligible property for any tax year through and including 2018, minus any homestead exclusion, is more than three times the certified market value of such property for the immediately preceding tax year, then the certified market value of such property for such tax year shall be deemed to equal three times the certified market value of such property for the immediately preceding tax year, and no further homestead exclusion shall be allowed.

(b) If the certified market value of an eligible property for any tax year after tax year 2018, minus any homestead exclusion, is more than one and a half (1.5) times the certified market value of such property for the immediately preceding tax year, then the certified market value of such property for such tax year shall be deemed to equal one and a half (1.5) times the certified market value of such property for the immediately preceding tax year, and no further homestead exclusion shall be allowed; provided that:

(.1) For tax year 2019 only: The taxes exempted by this paragraph (b) shall be paid in full in tax year 2019, as if there were no exemption, and shall be credited against the taxes owing by the taxpayer for tax year 2020; provided, further, that, if the property is no longer the principal residence and domicile of the long-time owner occupant on January 1, 2020, no credit shall be provided and the credit shall immediately expire.

Regardless of whether the property is subsequently assessed at a lower or higher market value, the foregoing deemed certified market value, *as provided in paragraph (a) or (b)*, shall remain the deemed certified market value for so long as the eligible taxpayer remains eligible, until such property is sold, transferred or is no longer the principal residence of the eligible taxpayer, or until the eligible taxpayer voluntarily opts out of the program.

[(a)] *(1.1) Opting out of the program.* * * *

(3) Except as otherwise provided in this subsection, no later than February 17 of each tax year, the owner of any property that meets the criteria set forth in Section 19-3903 and who wishes to participate in the program must apply to the OPA for certification as a participant in the program.

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(c) For tax year 2019 only, a property owner shall have until June 30, 2019, to apply to OPA for certification as a participant in the program.

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