Real Estate Tax Abatement for Properties Damaged by Hurricane Irene or Tropical Storm Lee Act

Act of June 27th, 2012, P.L. 650, No 71 Cl. 68

(THIS LAW DOES NOT APPLY TO SUPERSTORM SANDY)

The General Assembly of the Commonwealth of Pennsylvania enacted a law to provide tax relief for properties damaged and/or destroyed in either Hurricane Irene or Tropical Storm Lee. Abington Township is requesting that homeowners who have suffered damage in the above two storms, that would affect the valuation of the property, contact the township so that a determination if there is a need to pass the associated Ordinance or Resolution needed to allow victims to apply for Tax Relief back to 2011.

Abington Township would like to do anything possible to assist our residents that were adversely affected by these storms.

Please read the attached copy of the above Tax Abatement Act to see if your property would qualify for relief.

REAL ESTATE TAX ABATEMENT FOR PROPERTIES DAMAGED BY HURRICANE IRENE OR TROPICAL STORM LEE ACT - ENACTMENT

Act of Jun. 27, 2012, P.L. 650, No. 71 **Cl. 68**

AN ACT

Authorizing abatement of real estate taxes because of destruction or damage of property by Hurricane Irene or Tropical Storm Lee, or the refund of the amount of such taxes by certain political subdivisions; and authorizing reassessment of properties retroactive to August 1, 2011, and a limited moratorium on the increase of certain real estate taxes.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Short title.

This act shall be known and may be cited as the Real Estate Tax Abatement for Properties Damaged by Hurricane Irene or Tropical Storm Lee Act.

Section 2. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Taxing authority." A political subdivision which imposes a tax on real property.

Section 3. Local abatement of real estate taxes.

A taxing authority may, by ordinance or resolution, abate real estate taxes imposed by them for the tax year 2011, if the real property upon which the tax was imposed was damaged or destroyed by Hurricane Irene or Tropical Storm Lee. Upon the adoption of an ordinance or resolution authorizing the abatement of real estate taxes under this section, the taxing authority shall provide a copy of the ordinance or resolution to the county assessment office. The amount of any real estate tax abated shall be in direct proportion to the damage to the property as measured by a reduction in the assessed valuation of the property by the county assessment office using the same assessment valuation factors, criteria and procedures in use prior to the disaster. The county assessment office is authorized to reassess damaged properties retroactive to August 1, 2011, to reflect reductions in property value due to damage resulting from Hurricane Irene or Tropical Storm Lee. A damage assessment performed in conjunction with the county assessment office and the Federal Emergency Management Agency (FEMA) for purposes of determining Federal disaster aid connected with Hurricane Irene or Tropical Storm Lee may be used to determine the abatement of real estate taxes. In the event that the real estate tax has been paid, a portion of the assessed value of the property lost due to damage may be refunded by the taxing authority or reflected by the taxing authority in the form of a credit for the succeeding tax year. The amount of real estate tax abated, credited or refunded by any taxing authority shall not exceed $30,000 for any single property, notwithstanding any other exclusion applicable to the property.

Section 4. Ownership requirement.

No abatement, credit or refund may be allowed for the year 2011 unless the property owner at the time of the abatement, credit or refund was also the owner of the property at the time of Hurricane Irene or Tropical Storm Lee.

Section 5. Optional moratorium for certain real estate taxes.

(a) Exemption for reconstruction and repairs.--A taxing authority may, by ordinance or resolution, exempt from real property taxation the assessed valuation of reconstruction or repairs made to properties damaged or destroyed by Hurricane Irene or Tropical Storm Lee. Upon the adoption of an ordinance or resolution authorizing an exemption of real estate taxes under this section, the taxing authority shall provide a copy of the ordinance or resolution to the county assessment office. The eligible exemption shall be limited to the difference between the assessed valuation of the property prior to the damages and any increase in valuation of the property due to the actual cost of reconstruction or repairs to the original structure.

(b) Exemption schedule.--For the first year for which the reconstruction or repairs would otherwise be taxable, 100% of the eligible assessment shall be exempted; for the second year, 50% of the eligible assessment shall be exempted and, for the third year, 25% of the eligible assessment shall be exempted. After the third year, the exemption shall terminate. No property may be eligible for tax exemption under this section unless reconstruction or repairs are begun within three years of the date of Hurricane Irene or Tropical Storm Lee.

(c) Termination upon transfer.--The exemption from taxation authorized by this section shall terminate upon the sale, transfer, conveyance or exchange of the property.

(d) Notice.--A taxing authority shall publish notice of the moratorium on taxation attributable to increases in assessed valuations due to reconstruction or repairs. The notice shall appear on at least two occasions in a newspaper of general circulation within the affected areas within 60 days of the adoption of the ordinance or resolution authorized under subsection (a).

Section 6. Effective date.

This act shall take effect immediately.