



TO: The Honorable Members of the Pennsylvania House Local Government Committee

FROM: Alex Halper, Manager, Government Affairs

DATE: June 22, 2011

RE: Support HB 1696, the Property Tax Reassessment Moratorium Act

On behalf of its thousands of statewide member businesses of all sizes and crossing all industry sectors, the Pennsylvania Chamber of Business and Industry is writing to express support for HB 1696, the Property Tax Reassessment Moratorium Act. This legislation, which the House Local Government Committee is scheduled to consider today, would delay new property tax reassessments to provide time for the General Assembly to address deficiencies with the current law.

As is stated in HB 1696, the current method of property tax reassessment is “fragmented and in need of reform.” This lack of uniformity and standards for property tax reassessment policy has created a difficult environment for businesses in Pennsylvania, which can be capriciously chosen for property tax assessment appeals. Such reassessments often result in considerable school, municipal and county property tax increases. This kind of unpredictability imposes an unnecessary burden on businesses, which invest in their local economy, create jobs and deserve some stability to their local property tax reassessment process.

The Property Tax Reassessment Moratorium Act also cites a study conducted of the Commonwealth's property assessment system, which concluded that changes are needed and the General Assembly should enact legislation to address issues raised by the study. HB 1696 embraces this recommendation and wisely holds off further property tax reassessments until the legislature has had an opportunity to improve the current system. The bill makes reasonable exceptions for counties currently conducting a court-ordered countywide reassessment and also stipulates that the prohibition will expire by November 30, 2012 if the legislature has not acted.

Again, we urge you to support HB 1696, the Property Tax Reassessment Moratorium Act, when the bill is considered by the House Local Government Committee. If you have any questions or concerns, please contact Alex Halper at 717-720-5471 or ahalper@pachamber.org. Thank you.