

# City of Philadelphia



(Bill No. 160012)

## AN ORDINANCE

Amending Chapter 19-3900 of The Philadelphia Code, entitled "Tax Exemptions for Longtime Owner-Occupants of Residential Properties," by extending the time for which such exemptions are available, under certain terms and conditions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

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.

\* \* \*

§ 19-3902. Definitions.

\* \* \*

(6) "Income." As defined at 24 Code of Federal Regulations (CFR) Section 5.609 (referred to as "Part 5 annual income").

(7) "*Low-income longtime owner-occupant.*" *A longtime owner-occupant whose total household income is less than or equal to eighty percent (80%) of the Area Median Income, adjusted for household size, as established by the U.S. Department of Housing and Urban Development in its most recent publication for Philadelphia County.*

§ 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:

\* \* \*

(f) [The] *For the first ten years, the total household income is less than or equal to one hundred fifty percent (150%) of the Area Median Income, adjusted for household size, as established by the U.S. Department of Housing and Urban Development in its most recent publication for Philadelphia County. For any tax year*

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*after the first ten years, the long-time owner-occupant must qualify as a low-income longtime owner-occupant.*

\* \* \*

## § 19-3905. Benefit Determinations.

(1) For purposes of calculating City and School District real estate taxes, upon application pursuant to subsection (2), below, if the certified market value of an eligible property for any tax year, 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. The foregoing deemed certified market value shall remain the deemed certified market value until such property is sold, transferred or is no longer the principal residence of the eligible [taxpayer, but in no event for more than ten years] *taxpayer. That deemed certified market value shall not continue for more than ten years, unless the taxpayer qualifies as a low-income longtime owner-occupant.*

\* \* \*

(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.

\* \* \*

(b) Extended deadline for [first year of] the program. An owner of property who would have been eligible for the exemption of real property taxes beginning in Tax Year 2014, but who failed to submit an application by February 17, 2014, shall be deemed to have submitted a timely application if such application is submitted no later than February 17, [2015] *2017*, subject to the following:

(.i) The owner must be eligible for the exemption as of the date the application is actually submitted;

(.ii) If the OPA approves an application pursuant to this subsection (b), the resulting "deemed certified market value" shall first take effect with respect [Tax Year 2015] *taxes due on or after the date a timely application is filed* and shall remain the deemed certified market value no longer than an exemption applied for on or before February 17, 2014;

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(.iii) If the total City and School District taxes exempted pursuant to this subsection (b) *for any tax year*, as certified by the Department no later than forty-five days after the deadline for applications under this subsection, when added to the total City and School District taxes already exempted [for Tax Year 2014] pursuant to this Chapter *for such tax year*, exceeds twenty million dollars (\$20,000,000), the exemptions allocated pursuant to this subsection (b) shall be allocated among all eligible taxpayers on a pro rata basis so that the total taxes exempted *for such tax year* do not exceed \$20,000,000; and

(.iv) Each exemption authorized pursuant to this subsection (b) shall in all other respects be subject to the requirements of this Chapter.

(4) The OPA shall promulgate such rules, regulations, schedules or procedures as it deems necessary for the submission and establishment of proof of the eligibility of the taxpayer for the real property tax exemption provisions of this Chapter. *This may include requiring recertification of income eligibility under Section 19-3903(1)(f).*

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**Explanation:**

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

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on March 17, 2016. The Bill was Signed by the Mayor on March 29, 2016.



Michael A. Decker  
Chief Clerk of the City Council