

**PA Property Tax Notes**  
**MERE CONVEYANCE NOT JUSTIFICATION FOR REASSESSMENT**

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The Commonwealth Court has ruled that a reassessment issued following the purchase of a newly constructed home in a development constituted an impermissible "spot reassessment," in violation of the Fourth to Eighth Class County Assessment Law and the Uniformity Clause of the Pennsylvania Constitution. The County had originally valued the property, along with other properties in the development, at half the actual value, so as to reduce the tax burden of the developer. Upon the sale of each parcel in the development, the County would reassess at what it believed to be the actual value. As there was no division of the parcel or other change to affect the value of the land, there was no authority for reassessment. *Blazek v. Washington County Board of Assessment Appeals*, No. 16 C.D. 2010 (December 22, 2010) (see also *Brunetti v. Washington County Board of Assessment Appeals*, No. 15 C.D. 2010).

**Charitable Exemption Effective Date**

The Pennsylvania Supreme Court has declined to hear an appeal from a decision of the Commonwealth Court, affirming a decision of the Court of Common Pleas determining that the effective date of tax-exempt status is the date upon which the property is acquired, and not the date of assessment. *In Re: Appeal of Jubilee Ministries International*, No. 438 WAL 2010.

**Uniformity Remedy**

A taxpayer was not entitled to a reduction in his property's assessment that set the assessment at the base year value. The taxpayer had successfully shown that the current assessment violated the Uniformity Clause of the Pennsylvania Constitution, because other similar properties were assessed at values substantially less. Nevertheless, the requested relief - a reassessment at the base year valuation - would only exacerbate the lack of Uniformity in assessed values in the district. The proper remedy afforded to the taxpayer was a reduction in the assessed value of the property to conform to the common level existing in the district. *Smith v. Carbon County Board of Assessment Appeals*, No. 1205 C.D. 2009 (December 7, 2010).

**Alternative Energy & Gas Drilling in Clean and Green**

Act 88 of 2010 amends the Pennsylvania Farmland and Forest Land Assessment Act of 1974 to permit property owners to develop alternative energy systems on tracts of land with preferential assessments under the Act. The property owner must utilize a majority of the energy produced on the tract, and must otherwise continue to meet the requirements for a preferential assessment under the Act. Act 88 also provides property owners with the ability to lease or otherwise devote such tracts for exploration and removal of gas and oil. While the land actually used for exploration and removal shall be subject to roll back taxes, subsurface collection and transmission lines are exempt. Act No. 88 of 2010, S.B. 298 (effective December 27, 2010).

**Charter School Exemptions**

Act 104 provides that school property owned by charter schools shall be exempt from real property tax. The exemption applies to school property of charter schools, cyber charter schools, and associated nonprofit foundations. Additionally, school property owned by other nonprofit entities and leased at or below fair market value to a charter school or cyber charter school shall also be exempt. Finally, Act 104 declares that any agreement entered into before December 31, 2009,

by a charter school or similar entity to make payments in lieu of taxes, shall be null and void. *Act No. 104 of 2010, H.B. 101* (effective January 17, 2011).

### **Wind Energy in Clean and Green**

Act 109 also amends the Pennsylvania Farmland and Forest Land Assessment Act of 1974, this time to permit property owners to construct wind power generation systems on tracts of land entitled to preferential assessment. While the portion of the tract used for the wind power generation system will be subject to roll back taxes, the remainder of the tract shall retain the preferential assessment, provided it continues to meet the requirements of the Act. *Act No. 109 of 2010, H.B. 1394* (effective November 23, 2010).

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