

A Tale of Two Counties – Chapter 3: An Update Regarding the Countywide Reassessments in Allegheny and Washington Counties, Pennsylvania

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Allegheny County:

On September 15, 2011, Judge R. Stanton Wettick entered a new Order in the ongoing countywide reassessment being conducted by Allegheny County pursuant to the Court's previous Order entered on December 10, 2009. Over the summer, it became apparent that Allegheny County could not finish the reassessment by the original deadline of January 2012. Because the City of Pittsburgh and the City of Pittsburgh School District issue tax bills to the property owners in their jurisdictions in January and collect most of their funds in January and February, the city and school district argued that the delay would result in a shortfall in their budgets and their ability to make debt service payments. In an effort to assure that the City of Pittsburgh and the City of Pittsburgh School District can send out accurate tax bills in January, Judge Wettick has ordered that all residential value reviewers devote 100 percent of their time to completing the assessments of the properties in the City of Pittsburgh and Mt. Oliver.

The delay of the completion of the reassessment is problematic not only for the City of Pittsburgh and the City of Pittsburgh School District, but also for every municipality which is required by state law to set its budget for 2012 by December, 31, 2011. These mandatory deadlines are found in the enabling statutes under which municipalities are permitted to set millage and collect real estate taxes on the properties within their jurisdictional limits.

Judge Wettick made it clear that he intends to make sure the county completes its reassessment for 2012. It also appears that he is prepared to put the county on a two-track path to certification of the 2012 values: one track for the City of Pittsburgh and the City of Pittsburgh School District, and another for all other taxing jurisdictions. It remains to be seen whether both tracks will have similar schedules for hearing informal appeals, whether informal appeals will be done away with altogether for one or both tracks, and whether there will be a certification of all values on one date. It also remains to be seen whether the county, a municipality or any other interested party brings a challenge to Judge Wettick's latest plan.

Washington County:

Washington County officials believed that they dodged a bullet when the Pennsylvania General Assembly voted to impose a moratorium on the reassessment in the county, particularly when it was passed by an overwhelming majority by the state House and Senate. Since our last update, Governor Tom Corbett vetoed the measure, claiming that the moratorium legislation was constitutionally suspect because it effectively applied only to Washington County.

After the veto, Washington County officials requested a stay of Judge Debbie O'Dell Seneca's Order establishing a timetable for completing the reassessment. Last week, Judge O'Dell Seneca granted State Representative Jesse White (D - Cecil) leave to file an amicus curiae ("friend of the court") brief in the matter. Mr. White was one of two sponsors of the moratorium bill that Governor Corbett vetoed. The county officials and Mr. White contend that the Pennsylvania legislature is now genuinely considering statewide assessment reform. Judge O'Dell Seneca indicated that such legislative activity would warrant reconsideration of whether to spend the



resources to conduct the reassessment. Mr. White has until September 27 to file his brief. It is anticipated that the Court will hand down a decision next month regarding the county officials' request for a stay.

We will continue to update you as these matters unfold, including whether the Washington County reassessment is stayed, and when dates are established for the certification of Allegheny County's values (both in the city of Pittsburgh and outside of it), tax appeal deadlines, and when tax bills will be issued.

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