Title: **District-Initiated Tax Assessment Appeals**
Code: 605.1
Book: Policy Manual
Section: 600 Finances

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## Purpose

The purpose of this policy is to establish objective financial criteria for district-initiated tax assessment appeals, as contemplated by the Supreme Court of Pennsylvania in V*alley Forge Towers Apartment N, LP v Upper Merion School Distric*t, 163.A.3d 962, 99n 19. (Pa. 2017).

The Board recognizes that ensuring fairness to all taxpayers is an important objective, as is recovering tax revenue that would be lost if real estate is assessed substantially lower than is warranted based upon the property's fair market value. All other taxpayers must subsidize significantly under-assessed properties. Tax assessment appeals of under-assessed real estate initiated by the school district can help to rectify this inequity and result in greater uniformity among taxpayers.

This policy is part of the school district's overall strategy of obtaining its tax revenue in a fair and equitable manner that complies with statutory and constitutional mandates. The school district shall apply the objective methodology and guidelines of this policy whenever initiating a tax assessment appeal, without regard to the type of property in question (commercial, residential or otherwise), or the residency status of it owner, as required by the Supreme Court of Pennsylvania in *Valley Forge Towers.*

During the years when the County has implemented a countywide reassessment, the school district reserves the option to develop objective methodology and guidelines for initiating reassessment appeals.

## Authority

All taxes shall be uniform, upon the same class of subjects, within the territorial limits of the authority levying the tax and shall be levied and collected under general laws.

School districts have the right to appeal any assessment within its jurisdiction in the same manner, subject to the same procedure and with like effect as if the appeal were taken by a taxable person.

The Supreme Court of Pennsylvania has indicated it is permissible for a school district to initiate tax assessment appeals based upon the guidelines in this policy.

## Definitions

**Implied Fair Market Value -** the tax assessment divided by the common level ration then in effect for the district under Pennsylvania assessment law.

## Delegation of Responsibilities

The director of Business Affairs or designee shall be responsible to implement this policy, in consultation with legal counsel as appropriate. The Board may engage a professional consultant to assist with implementation of this policy.

## Guidelines

The school district's business office shall review information on all real estate sales within the district as reported by the County's Recorder of Deeds, and for each sale shall compare the sale price to the property's "implied fair market value" based on its tax assessment.

Where the recorded sales price of a parcel of real estate (or of multiple tax parcels operated as a single entity) exceeds by $200,000 or more the property's implied fair market value based upon its tax assessment and the applicable common level ratio, the school district's business office shall arrange for presentation of a motion for the Board to approve the filing of a district-initiated tax assessment appeal on the property; however, no such motion shall be presented to the Board solely as the result of sales where the sales price reported by the Recorder of Deeds is $1.00 or other nominal amount (which is commonly done for sales that are exempt from realty transfer tax), or where the school district has information establishing to the satisfaction of the business office that the property's actual fair market valued does

not exceed by $200,000 or more the implied market value based upon its tax assessment and the applicable common level ratio.

Aside from the context of a real estate sale, should the school district otherwise become aware of an appraisal or other information demonstrating to the satisfaction of the business office that the actual fair market value of a parcel of real estate within the school district (or of multiple tax parcels operated as a singer entity) exceeds by $200,00 or more the implied fair market value of such property based upon its tax assessment and the applicable common level ratio, the school district's business office shall arrange for presentation of a motion for the Board to approve the filing of a district-initiated tax assessment appeal on the property.

Aside from the context of a real estate sale, should the school district otherwise become aware of any information demonstrating to the satisfaction of the business office that a parcel of land deemed tax exempt through the Greene County Tax Assessment Office is no longer tax exempt or is erroneously identified as tax exempt; the school district's business office shall arrange for the presentation of a motion for the Board to approve the filing of a district-initiated tax assessment appeal on the property.

In the event the Board approves a motion to initiate a tax assessment appeal, the District Solicitor, or, in the event of a conflict of interest on the part of the District Solicitor, the law firm assigned to purpose the subject District-Initiated Tax Assessment Appeal, shall file an appeal with the County's Board of Assessment Appeals by the applicable deadline. Filing a further appeal beyond the Assessment Board level shall be at the discretion and approval of the Board.

The school district shall apply the methodology and guidelines of this policy without regard to the type of property in question (commercial, residential or otherwise), or the residency status of its owner.

**Legal**

Valley Forge Towers Apartments N, LP v. Upper Merion School District, 163 A.3d 962, 979 n. 19 (Pa. 2017)

53 Pa. C.S.A. 8855

Pennsylvania Constitution, Article  VIII, Section 1

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