

POLICY BRIEF
An electronic publication of
The Allegheny Institute for Public Policy

July 7, 2011

Volume 11, Number 37

Backpedaling on Assessment Completion Date

For those who were on the edge of their seats waiting to get assessment notices this month, the excitement will have to wait. Allegheny County won't be processing reassessment notices until January of 2012. Certified values for use in calculating tax bills may not be available until May or June of 2012.

The notices were originally scheduled to be mailed this month. About one-third of residential and commercial properties have been valued, and now County officials think it will be almost a year from now when the valuations are complete.

That's quite a different tune from the one that was sung at earlier stages in the process. Recall that the state Supreme Court struck down the base year in the spring of 2009, upholding Judge Wettick's original ruling of July 2007. The plan for implementing the reassessment—an agreement between the County and the Judge—was decided upon in December of 2009. The progress was to be checked by regularly scheduled meetings between the Judge and the County. Until this week it appeared things were proceeding according to plan.

Consider:

- March of 2010—The County's acting chief assessment officer stated "at this point, we are on track to have a reassessment complete by 2012". Questionnaires on property characteristics had been mailed to residential properties the month before and were scheduled to go out to commercial properties that March.
- May of 2010—The County Manager echoed what was said two months earlier and it was indicated that preliminary assessment notices would be mailed between July and October of 2011.
- July of 2010—At this point it was reported that the County had completed visits to a portion of the eastern suburbs, and, according once again to the County Manager, "preliminary notice of the new assessment values assigned to homes and businesses will be sent out between July and October 2011".
- February of 2011—At this status meeting it was stated that things were on track and that "owners are to receive preliminary notice of the new values assigned to their homes and businesses starting in July."

Obviously something has gone terribly awry since February. The County claims that it advertised for more help but fell woefully short of the manpower needed. That means the uniformity problems that arose from the County's base year plan—which locked in over-assessments and under-assessments—will be in place longer, possibly stretching past the start of the County's and

many municipalities' fiscal year on January 1st. Maybe the Judge will consider implementing our suggestion that County taxpayers be relieved from paying property taxes until the reassessment is done and meets IAAO standards (see *Policy Brief Volume 9, Number 70*).

One has to be alarmed at the timing of this week's announcement of a date pushback for release of new assessments. Recall that around the time the reassessment timeline agreement was reached with Judge Wettick the County Solicitor stated "at this point the County's position is that when we're told what we need to get done, we'll get it done". Taken at face value that means complying with the court's decision, using all available resources to get the job done, and ending the talk about being unfairly singled out when it comes to carrying out the reassessment.

Clearly, the Legislature has not helped Allegheny County's wounded ego with its just passed bill ordering a delay in the court ordered reassessment in Washington County. Now chatter has begun again about how Allegheny County feels it was slighted and that it might be inclined to consider legal action with regard to the Washington County moratorium bill since it was not included. Could the delay in mailing out new assessments by the County be a separate stalling tactic to see if the moratorium law withstands a court challenge and hope the Legislature will extend the moratorium to Allegheny County?

How ironic and amusing that the County officials who were at one point ready to defy the state Constitution and the Supreme Court, who asked the Legislature to pass a moratorium on court ordered re-assessments even though the Supreme Court had already ruled the County's assessment system to be unconstitutional and that the County do a reassessment, and who were dismissive and failed to obey earlier lower court orders to take certain actions to improve the accuracy of assessments, are now talking about the unconstitutional nature of the moratorium and launching their own appeal to the same courts they have treated with disdain.

How will the County react if the Judge orders the re-assessment to be finished on time as per the December 9, 2009 agreement and specifies sanctions if the order is not complied with?

Finally, it is noteworthy that by pushing back the date to release the new assessments, the County Manager has defused a potentially explosive election issue. Candidates running for County office will not have to answer pointed questions from property owners who are very unhappy about their new assessments. Who benefits the most from this delay? And what will the Judge do, if anything about this latest postponement in the years' long process of addressing assessment inequities?

Jake Haulk, Ph.D., President

Eric Montarti, Senior Policy Analyst

*Policy Briefs may be reprinted as long as proper attribution is given.
For more information about this and other topics, please visit our website:*

www.alleghenyinstitute.org

<p>Allegheny Institute for Public Policy 305 Mt. Lebanon Blvd.* Suite 208* Pittsburgh PA 15234 Phone (412) 440-0079 * Fax (412) 440-0085 E-mail: aipp@alleghenyinstitute.org</p>
