



605 words

Past time to fix the property assessment/appeals mess

By Colin McNickle

Much of the angst and legal wrangling over property assessments in Allegheny County and statewide could be eliminated by instituting mandatory regular reassessments that incorporate standardized norms, concludes an analysis by the Allegheny Institute for Public Policy.

“The state should just end, or curtail appeals, by bringing Pennsylvania’s assessment practices in line with other states,” says Eric Montarti, research director at the Pittsburgh think tank (in *Policy Brief Vol. 20, No. 2*).

“Most don’t let values go beyond six years and have a regular, predictable cycle,” he says.

The property assessment/appeals conundrum is a familiar, if not tiring, tale: The Keystone State allows counties to assess properties under a base-year system and it can be many years before subsequent assessments take place.

“As time goes on, gaps develop between sales prices and assessed values,” Montarti notes. “Taxing bodies then appeal sales that meet certain criteria, seeking to have values raised to, or near, sales price.”

And that leads to buyers being caught off guard, facing the possibility of higher tax bills and becoming frustrated because similar properties are not appealed for the simple fact that they were not for sale.

Allegheny County’s last reassessment – court-ordered – came in 2013. Last year alone, the county’s Board of Assessment Appeals and Review heard more than 6,000 appeals from owners and taxing bodies.

The legal wrangling has produced mixed court rulings that, in a nutshell, point to conflicting, if not outright contradictory, rules at the county vs. state level of government that often have served to redefine the word “inequitable.”

There's even been the question of when the court can become involved. To that end, the state Supreme Court this month upheld a Commonwealth Court affirmation that "a party may not seek judicial resolution of a dispute until he or she has exhausted available statutory relief."

But the best "relief" to this long-running mess clearly would be from the state Legislature itself.

"The General Assembly attempted to stop taxing body appeals on sales prices over a decade ago (the legislation was vetoed) and is trying again," Montarti notes. "The legislation would prohibit appeals based on sales price alone but would allow for taxing body appeals where there is a reassessment, a division of the parcel or a change to its use."

But, of course, *this* would require a regular reassessment regimen. And with a proposal to do just that – every four years -- remaining in "co-sponsorship memorandum" form, it is anybody's guess when, or if ever, it might be introduced as legislation.

Of course, the longer such a dysfunctional system is allowed to continue, the worse it becomes, from those inequitable tax burdens, to reassessment costs for data reconstruction, to complications in mass-appraisal models and political machinations to thwart regular reassessments.

So, what is the holdup?

"Is there pushback from county officials who don't want to conduct (regular reassessments), from taxpayers fearing spikes in their tax bills if values increase or from legislators who feel they are going to enact a tax shift that will rid the state of property taxes and the need to reassess?" Montarti asks.

As we are reminded in Corinthians, "If the trumpet give an uncertain sound, who shall prepare himself for the battle?"

Sad to say, the spittle in the trumpet of this long-running reassessment mess has left it unable to emit even an uncertain sound, let alone a clarion call.

Pennsylvania's public policy makers have failed their charge.

Colin McNickle is communications and marketing director at the Allegheny Institute for Public Policy (cmcnickle@alleghenyinstitute.org).

Op-Eds may be reprinted as long as proper attribution is given.

Allegheny Institute for Public Policy
305 Mt. Lebanon Blvd.* Suite 208* Pittsburgh PA 15234
Phone (412) 440-0079
E-mail: aipp@alleghenyinstitute.org
Website: www.alleghenyinstitute.org
Twitter: [AlleghenyInsti1](https://twitter.com/AlleghenyInsti1)