

Real Estate Tax Regulations *Section 407. Exemption for Longtime Owner-Occupants of Residential Properties* is being amended due to the enactment of City Council Bill No. 170901. This bill extends the availability of the exemption and makes changes related thereto.

**CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE
REAL ESTATE TAX REGULATIONS
FOR CITY OF PHILADELPHIA AND SCHOOL DISTRICT OF PHILADELPHIA**

Section 407. Exemptions for Longtime Owner-Occupants of Residential Properties.

(a) Definitions. For purposes of this Section, the following definitions shall apply:

(1) "Certified Market Value." The assessed value of the property as certified by the Office of Property Assessment in the year immediately preceding the tax year.

[(10) "Low-income longtime owner-occupant" A longtime owner-occupant whose total household income is less than or equal to eighty percent (80%) of the Area Median Income, adjusted for household size, as established by the U.S. Department of Housing and Urban Development in its most recent publication of Philadelphia County.]

(b) Eligibility for Exemption of Real Property Taxes.

(1) Real property shall be eligible for the exemptions provided for under Chapter 3900 of the Code if it meets all of the following conditions:

(A) The property is owned and occupied by a Longtime Owner-Occupant January 1 of the tax year.

(F) For **[the first ten years,] each year**, the total household income is less than or equal to one hundred fifty percent (150%) of the Area Median Income, adjusted for household size, as established by the U.S. Department of Housing and Urban Development ("HUD") in its most recent publication for Philadelphia County. **[For any tax year after the first ten years, the long-time owner-occupant must qualify as a low-income longtime owner-occupant.]**

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(d) Benefit Determinations.


(1) For purposes of calculating City and School District real estate taxes, upon application pursuant to paragraph (3) of this subsection, if the Certified Market Value of an eligible property for any tax year, minus any Homestead Exclusion, is more than three times the Certified Market Value of such property for the immediately preceding tax year, then the Certified Market Value of such property for such tax year shall be deemed to equal three times the Certified Market Value of such property for the immediately preceding tax year, and no further Homestead Exclusion shall be allowed. Regardless of whether the property is subsequently assessed at a lower or higher market value, the foregoing deemed Certified Market Value shall remain the deemed Certified Market Value as long as the eligible taxpayer remains eligible, until such property is sold, transferred or is no longer the Principal Residence of the eligible taxpayer, or until the eligible taxpayer voluntarily opts out of the program. **[, that deemed certified market value shall continue for more than ten years, unless the taxpayer qualifies as a low-income longtime owner-occupant.]**

Legend:

New Matter: **Bold** and Underlined

Deleted Matter: **Bold** and in [] Brackets

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Date 7-31-18

Frank Breslin CPA, Revenue Commissioner