

ORDINANCE NO. 26

AN ORDINANCE OF THE TOWNSHIP OF MONTGOMERY, COUNTY OF INDIANA AND COMMONWEALTH OF PENNSYLVANIA, PROVIDING FOR A TAX ABATEMENT IN ORDER TO PROMOTE REHABILITATION OF PROPERTY WITHIN MONTGOMERY TOWNSHIP, INDIANA COUNTY, PENNSYLVANIA.

BE IT ORDAINED AND ENACTED by the Board of Supervisors of the Township of Montgomery, County of Indiana and Commonwealth of Pennsylvania, and it is hereby enacted and ordained as follows:

SECTION 1 - DEFINITIONS

As used in this ordinance, the following words and phrases shall have the meaning set forth below.

1. "P.R.O.S.P.E.R. (Promoted Rehabilitation of Subsidized Property for Economic Revitalization) Program Area" means those areas within Indiana County, the boundaries of which have been fixed by a municipal governing body or bodies pursuant to Act 76 of 1977, in which improvements to deteriorated property are eligible for tax exemption.

2. "Eligible Property" means an industrial, commercial or other business property owned by an individual, association or corporation, and located in Montgomery Township, Indiana County.

3. "Improvement" means repair, construction, renovation and reconstruction, including alterations and additions, having the effect of rehabilitating a deteriorated property, either commercial, industrial or business so that it becomes habitable or attains a higher standard of safety, health, economic use or amenity, or is brought into compliance with existing laws, ordinances or regulations governing such standards. General and ordinary upkeep and maintenance shall not be deemed as an improvement.

4. "Local Taxing Authority" means the County of Indiana, the school districts, the municipal governing bodies, or any other governmental entity having the authority to levy real estate property taxes within Indiana County.

5. "Indiana County Tax Claims Bureau" means the Tax Assessment Office of Indiana County and hereafter referred to as the "Bureau."

SECTION 2 - EXEMPTION

1. There is hereby exempt from real property taxation the assessed value of improvements to deteriorated properties in the amounts and in accordance with the provisions and limitations hereinafter set forth as the corporate and geographic boundaries of the Township of Montgomery, Indiana County, Pennsylvania.

2. The exemption from taxes created hereunder shall be limited to additional assessment valuation attributable to one hundred percent (100%) of the actual costs of

improvements to deteriorated property for five (5) successive calendar years beginning the tax year immediately following completion of the new construction or improvements.

3. The exemption from taxes granted under this ordinance shall be upon the property and shall not terminate upon the sale, transfer, or exchange of the property, provided said property shall be used for a purpose that would constitute eligible property.

4. No dwelling unit or any portion of any property used for dwelling purposes shall be eligible for the benefits of exemption under this ordinance. Dwelling units shall include houses, duplexes, townhouses, row houses, apartments or any building intended for occupancy as living quarters by an individual, family or other groups of persons.

### SECTION 3 - MAXIMUM EXEMPTIONS

1. The exemption from real property taxes shall be limited:

a. To that portion of the additional assessments attributable to the actual cost of improvements to deteriorated commercial, industrial or business property.

b. To the assessment valuation attributable to the cost of construction of the new commercial unit on a previously improved or unimproved commercial, industrial or business property.

2. In all cases the exemption from taxes shall be limited to that portion of the additional assessments attributed to the improvement or new construction, as the case may be, and for which a separate assessment has been made by the County Board of Assessment Appeals and for which an exemption has been separately requested.

3. No tax exemption shall be granted if the property owner does not secure the necessary and proper permits prior to improving the property.

4. In any case after the effective date of this ordinance where deteriorated commercial, industrial or business property is damaged, destroyed or demolished, by any cause or for any reason, and the assessed evaluation of the property affected has been reduced as a result of the said damage, destruction or demolition, the exemption from real property taxation authorized by this ordinance shall be limited to that portion of the new assessment attributable to the original assessment that existed prior to damage, destruction or demolition of property.

### SECTION 4 - PROCEDURE FOR OBTAINING EXEMPTION

1. Any person desiring tax exemptions pursuant to this ordinance shall apply to the Indiana County Tax Claim Bureau at the time a building permit is secured.

2. A review committee, of not more than five (5) members, appointed by the Board of Commissioners will determine the eligibility of each application for exemption within thirty (30) calendar days of application, as it pertains to the provisions of this Act.



3. The Bureau will notify any local taxing authority that would be affected by the Bureau's actions at the time an application is made and after a decision on the application is made.

4. If an application for exemption is denied, the property owner or any affected local taxing authority shall have the right to appeal the decision of the Bureau's Review Board to the Board of Commissioners acting as the Board of Assessment and Revision of Taxes. If the local taxing authority or the property owner is dissatisfied with the decision of the Board of Commissioners either may take an appeal as provided by law.

5. Upon completion of the improvement, the taxpayer shall notify the Bureau and the Bureau shall then separately assess the improvement for the purpose of calculating the amount of assessment eligible for the tax exemption in accordance with the limits established by this ordinance.

6. The cost of improvements to be exempted and the schedule of taxes exempted existing at the time of the initial request for tax exemption shall be applicable to that exemption request and subsequent amendments to this ordinance, if any, shall not apply to requests initiated prior to the adoption of such amendments.

7. In the case of new construction, the Bureau shall assess separately, the commercial unit and the land upon which the new construction stands and shall otherwise perform its duties as above provided for construction of improvements to commercial, industrial or business properties.

8. The cost of improvements to commercial, industrial or business properties to be exempted and the schedule of taxes exempted, existing at the time of the initial request for tax exemption, shall be applicable to that exemption request, and subsequent amendment to this resolution, if any, shall not apply to requests initiated prior to their adoption.

9. This abatement from real estate taxes will commence in the immediate year following application.

10. Appeals from the reassessment and the amount eligible for exemption may be taken by the County of Indiana, the local taxing authority, or the property owner, as provided by law.

#### SECTION 5 - EFFECTIVE DATE

1. This ordinance shall become effective upon adoption by the Board of Supervisors of Montgomery Township.

2. If any sentence, clause or section of this ordinance is found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall not affect or impair the remaining provisions hereof.

SECTION 6 - TERMINATION DATE

This ordinance shall automatically expire and terminate five (5) years after enactment; provided, however, that any person who has applied for the exemption prior to the termination date hereof shall be entitled to a full five-year exemption if the application otherwise qualifies.

ORDAINED AND ENACTED this 06 day of October, 1999.

Attest:

Paula Burba  
Secretary

MONTGOMERY TOWNSHIP

By William J. Butler  
Supervisor

By Bruce A. Hardner  
Supervisor

By \_\_\_\_\_  
Supervisor

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