

## Allegheny County's Reassessment – December 2011 Update

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The Supreme Court Rejects Allegheny County Council's Petition for Relief from the Reassessment, and the County Appeals Judge Wettick's "Two Track" Assessment Orders

This week, the Pennsylvania Supreme Court denied a Petition for Extraordinary Relief that Allegheny County Council filed in March 2011, seeking a stay of the reassessment and requesting that the Supreme Court establish a test for determining when a county's property assessment scheme violates the Uniformity Clause of the Pennsylvania Constitution. Notably, however, Justice Baer filed a passionate four-page dissent. Justice Baer contends that it is time for the Supreme Court to fill the void left by the General Assembly for establishing a test regarding when a county's assessment is not sufficiently uniform.

Meanwhile, the county recently initiated an appeal of Judge Wettick's recent orders regarding the reassessment with the Commonwealth Court, and filed an Emergency Application for Extraordinary Relief in the Pennsylvania Supreme Court. The county is expected to argue in the appellate courts that Judge Wettick's recent orders should be reversed for three reasons: First, to best assure the accuracy of the reassessment, property owners should have an opportunity to file informal appeals decided before the reassessment figures are certified. Second, all of the county's properties' reassessed values should be certified at one time, and not piecemeal, as is currently contemplated. Third, it is improper for the court to provide special treatment to the City of Pittsburgh and Pittsburgh Public Schools with respect to the reassessment process.

Judge Wettick entered an order reflecting that these appeals will not stay the reassessment - the countywide reassessment will proceed.

Judge Wettick Revises the Timetables for Completion of the Countywide Reassessment for Pittsburgh



We last reported that Judge Wettick established deadlines for mailing reassessment figures in the Allegheny County reassessment. The schedule has changed. In all likelihood, it will continue to change.

Currently, with respect to commercial properties in the Pittsburgh Public Schools' jurisdiction (the City of Pittsburgh and Mt. Oliver Borough), the new deadline for mailing the commercial reassessment figures is December 31, 2011. The date for filing an informal appeal from one of these commercial reassessments is **January 13, 2012**, and the date to file a formal appeal is **February 10, 2012**.

For residential properties, the deadline for mailing the 2012 assessments is now December 27, 2011. The informal appeal filing deadline remains January 6, 2012, and the formal appeal deadline is the same as that for commercial properties - February 10, 2012.

Another recent change is that there will be a 30-day opportunity to file a formal appeal from the disposition of an informal appeal, even if the informal appeal results in no change to the property's assessment.

For the rest of Allegheny County - that is, outside the Pittsburgh Public Schools' jurisdiction - notices of the reassessments for residential and commercial properties are expected to be issued between late January and early May. They are also expected to be issued piecemeal, as the reassessment is completed and the figures are certified by the acting chief assessor.

#### The Delayed Reassessment May Result in Your Municipality Issuing Two Tax Bills

If the reassessment is delayed for too long, it results in the delayed issuance of tax bills. This is what led Judge Wettick to put the county on two assessment tracks: one track for Pittsburgh and the Pittsburgh Public Schools, who historically issue tax bills in January; and another track for the remaining taxing bodies, who generally send out tax bills between March and June.

This two-track system was designed to complete the reassessment for the portion of the county that faces financial trouble first if the reassessment is delayed. Now, however, the municipalities are concerned that if the reassessment is delayed any more, they too will sustain financial harm as a result of not having certified assessment figures upon which to issue tax bills.



In an attempt to remedy this, Judge Wettick is expected to permit the municipalities to issue two tax bills - the first one for half of the taxes that were due in the preceding year upon the 2011 (old) assessment, and a second bill later, after the reassessment is completed and anti-windfall laws are applied, that would reflect the balance owed on 2012 municipal taxes.

Such a plan will be confusing to taxpayers and financial institutions, may lead to mistakes by mortgage companies when they pay tax bills and set escrow amounts, and would add costs to the municipalities' collection of these taxes. Even if the municipality waits to send one tax bill until after the 2012 reassessment figures are certified and released, that figure applies retroactively, to January 1, 2012, for the purposes of calculating the taxes owed.

Stay tuned for further developments. There is certainly more to come.

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