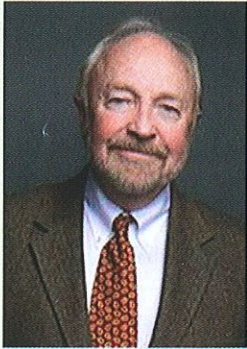


The Delaware County Reassessment is Coming!



By Joseph Patrick O'Brien, Esquire

In March of 2017, the Delaware County Court of Common Pleas ordered a Countywide Reassessment for every real estate tax parcel in Delaware County. The Countywide Reassessment will be effective for the 2021 tax year with

the stated goal of raising each tax parcel's assessment to 100% of its current fair market value.

The most frequently asked question is whether a property's assessment and its value are the same. Until the Reassessment is effective in Delaware County, property assessments are a percentage of a property's actual value. For example, in 2020 a given property's assessment is supposed to be 56.4% of its actual value (56.4% being the 2020 Delaware County Common Level Ratio "CLR"). In 2019, assessments were supposed to be 58.1% of a property's value in Delaware County. In 2021, the year of the reassessment, each property's assessment will be raised to 100% of its actual value.

Why Did The Court Order The Reassessment?

One of the main problems with the assessment system in Delaware County (and across the state) is that over time

properties in different areas increase or decrease in value at different rates. Research has shown that as these values change over time only about a third of all properties in a given County have assessments that are reflective of their actual value. Meaning that a third of properties are under assessed, i.e. paying too little in taxes, while a third of properties are over assessed and therefore paying too much in taxes in relation to the property's value. The Pennsylvania Constitution requires that all taxes be "uniform" on the same subjects and seeing as how Delaware County's last countywide reassessment was conducted in 2000, it is no surprise that the wide variance of assessments in relation to actual value led the Trial Court to order a reassessment.

As a result, Delaware County has contracted with Tyler Technologies Inc. to effect the reevaluation of all tax parcels bringing assessments up to 100% of each property's actual value. For over two years Tyler has been collecting data on the 205,000+/- tax parcels in Delaware County. Property owners should have already received a preliminary report identifying the particulars for each property including square footage, bedrooms, bathrooms, etc. Beginning in mid-February Tyler will begin sending informal notices with the new tentative property values. The new assessments should be an accurate representation of the fair market value for each property.





Will My Real Estate Taxes Increase?

The million-dollar question on everyone's mind is whether their real estate taxes will increase. Importantly, a Countywide Reassessment is revenue neutral. Pennsylvania's Consolidated County Assessment Law 53 P.C.S.A. Section 8801 et seq restricts each taxing district (County, Municipality, and School District) from collecting more tax dollars in the year of reassessment (here 2021) than each collected in the prior year e.g. 2020. The fine print does specify that tax rates can be increased by up to 10% more than the prior year through a separate vote or even higher with Court approval. So even though assessments will likely be increasing, tax millage rates for each taxing district will be reduced in 2021 to comply with Pennsylvania Assessment Law.

What Happens After I Receive My Tentative New Value?

After the informal notice containing the new tentative property value is sent, taxpayers will be given an opportunity to communicate with a Tyler representative to discuss basic issues relating to discrepancies in property description, proper measurements, and if value seems comparable (or not) with recent local sales data.

Whether or not the preliminary review has been completed, the county assessment office **MUST** send formal written notice to **ALL DELAWARE COUNTY REAL ESTATE OWNERS/**

TAXPAYERS dated on or before July 1, 2020 of the new 2021 assessment, the old assessment, and state the right to appeal to the Delaware County Board of Assessment Appeals within 40 days **from the date of the notice.**

The standards for contesting the assessment at the Board of Assessment Appeals hearing require taxpayers to provide proof of a different fair market value, and while an owner's opinion has some worth, generally state certified appraisers prepare appraisals and these are submitted to the Board. In some cases, Appraisers are brought to testify before the Board. And as is the case for regular annual appeals, the decision of the Board may be appealed to the Court of Common Pleas by the taxpayer OR by the school district or municipality within thirty (30) days of the Board's decision.

In Pennsylvania, the Unauthorized (Unlicensed) Practice of Law is a Misdemeanor (42 P.S. 2524) and the PA Courts have ruled that representation of a taxpayer before a County Board of Assessment Appeals is the practice of law. An individual owner may act pro se and may bring an appraiser as an expert witness to the Board hearing, but not as a representative. •

Visit www.kaolawassociates.com for a more detailed look at the upcoming Countywide Reassessment and Assessment Law in Pennsylvania.