

**BUSINESS REGULATION AND TAXATION CODE**

**TITLE FIVE - ANNUAL TAXES**

- 350 Revenue (Charter Requirements)
  - 351 County Assessment Law
  - 353 Property Tax
  - 355 Residence Tax
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**350 REVENUE**

- 350.01 No New Tax
- 350.02 Taxes Intact at 1996 Levels
- 350.03 Land Value Tax
- 350.04 Council Vote on Increasing or Decreasing Taxes
- 350.05 Referendum and Property Taxes

This section was mandated by the Home Rule Charter, Article VIII, Section 807.

**350.01 NO NEW TAX**

Council shall establish no new tax. (Art. VIII, §807)

**350.02 TAXES INTACT AT 1996 LEVELS**

Council shall not raise the rates of the deed transfer, earned income, business privilege, the Emergency and Municipal Services Tax beyond \$52, amusement devices, and resident taxes above their respective 1996 levels. (Art. VIII, §807; 5/16/06)

**350.03 LAND VALUE TAX**

Property Development Incentive Taxation System. (Art. VIII, §807)

1. Beginning in 1997, the City of Allentown will adopt a property taxation system designed to encourage development of new properties and improvements to existing properties. The system will accomplish this by gradually reducing the tax rate applied to all buildings relative to the tax rate applied to all land (whether developed or undeveloped). (Art. VIII, §807)

2. The following shall be the minimum ratios of the land tax rate to the building rate for the respective years:

1997	1.49
1998	2.06
1999	2.76
2000	3.62

2001 and beyond 4.70  
(Art. VIII, §807)

3. Council may establish a ratio of the land tax rate to the building tax rate higher than 4.70 after 2001. (Art. VIII, §807)

**350.04 COUNCIL VOTE ON INCREASING OR DECREASING TAXES**

Council may reduce any tax rate or fee (provided it maintains the minimum ratios for property taxes as in Section 807(C)(2) of the Charter, by a majority vote. Council may increase property tax rates or fees (provided it maintains the minimum ratios for property taxes as in Section 807(C)(2) of the Charter, by five (5) votes. (Art. VIII, §807; 5/18/99)

**350.05 REFERENDUM AND PROPERTY TAXES**

The citizens of Allentown may increase or decrease property tax rates through the referendum process defined in Sections 1002-1009 (provided that, as long as the Property Development Incentive Taxation System is in effect, the resulting ratio meets or exceeds the minimum ratio set by this Charter or by Council). (Art. VIII, §807)

After the year 2001, the citizens of Allentown may amend or terminate the Property Development Incentive Taxation System by reducing the ratio of the land tax rate to the building tax rate or by reverting to a single tax rate for land and buildings through the referendum process defined in Sections 1002-1009. (Art. VIII, §807)

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**ARTICLE 351  
COUNTY ASSESSMENT LAW**

- 351.01 Subject to Third Class County Assessment Law
- 351.02 Predetermined Ratio of Market Value

CROSS REFERENCES

Optional Use by Cities - 72 P.S. - §5453.104  
Board of Assessment and Revision of Taxes - 72 P.S. §5453.301  
Revision and Appeals - 72 P.S. §5453.701 et seq.

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**351.01 SUBJECT TO THIRD CLASS COUNTY ASSESSMENT LAW**

Whereas Lehigh County has become a Third Class County; Whereas the City of Allentown has heretofore by Ordinance No. 11823 become subject to the Act of May 21, 1943 (P.L. 571) and amendments thereto, known as "the Forty to Eighth Class County Assessment Law", and desires that such Ordinance shall continue in force and effect with the changeover of Lehigh County from a Fourth Class County to a Third Class County;

Now, therefore, as of the date Lehigh County became a Third Class County, the City of Allentown shall become subject to the provisions of the Act of June 26, 1931 (P.L. 1379) and amendments thereto, which Act concerns itself with assessments in Counties of the Third Class and with the same force and effect as the "Forty to Eighth Class County Assessment Law", and under the same agreement heretofore executed between the County of Lehigh and City of Allentown for the establishment of an Advisory Committee to the County Board of Assessments and Revision of Taxes. (11867 §1,2 3/16/71)

**351.02 PREDETERMINED RATIO OF MARKET VALUE**

There is hereby established a predetermined ratio for assessment purposes of fifty (50%) percent of the market valuation supplied by the County, provided the City may at any time select a different predetermined ratio. (12092 §1 10/16/74)

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**ARTICLE 353  
PROPERTY TAX**

- 353.01 Collection Dates and Payments

CROSS REFERENCES

Power to Levy Property Taxes - 3rd Class - §2531 (53 P.S. §37531)  
Tax Liens; Liability for False Return - 3rd Class §2537 (53 P.S. §37537)

EDITOR'S NOTE: Pursuant to Third Class City Code Section 2531, Council annually enacts a tax for general revenue and debt purposes on all real, personal and mixed property within the City. Consult the City Clerk for the current fiscal year tax.

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**353.01 COLLECTION DATES AND PAYMENTS**

- A. The Director of Finance is authorized and empowered to collect the annual real estate taxes according to the following schedule: (15263 § 1 12/16/2015)
  - 1. Real estate taxes shall be billed each year on or before February 1.
  - 2. There shall be a discount period according to State law of two months commencing February 5, during which payment received of the current outstanding real estate taxes shall result in a two (2%) percent discount of the total tax. (12165 §1 12/22/75; 13686 §1 7/16/98)
  - 3. The gross tax period of payment shall begin on April 6, and shall continue through July 15. (12172 §1 2/4/76; 13686 §1 7/16/98; 15263 § 1 12/16/2015)
  - 4. A penalty of ten (10%) percent shall be assessed on all unpaid taxes as of July 16 of the fiscal year. (12229 §1 12/15/76; 13686 §1 7/16/98; 15263 § 1 12/16/2015)

B. The Director of Finance is further empowered and authorized to collect the aforesaid taxes by means of installment payments. The following dates are the installment due dates within the year at which time one-fourth of the total real estate tax shall be due and owing: April 15, May 15, June 15 and July 15. A property owner electing to use the installment option shall make the first payment no later than April 15. (12254 §1 7/6/77; 13175 §1 1/7/93; 15263 § 1 12/16/2015)

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**ARTICLE 355**  
**RESIDENCE TAX** (Repealed 15256 §1 12/02/15)