

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

JAMES C. CLIFTON, CHARLES and
LORRIE CRANOR, husband and wife,
and ROY SIMMONS and MARY LISA
MEIER, husband and wife,

CIVIL DIVISION

NO. GD05-028638

Plaintiffs

vs.

ALLEGHENY COUNTY,

Defendant

KENNETH PIERCE and STEPHANIE
BEECHAUM,

Plaintiffs

vs.

NO. GD05-028355

ALLEGHENY COUNTY, PENNSYLVANIA,
DANIEL ONORATO, its Chief Executive,
and DEBORAH BUNN, its Chief
Assessment Officer,

Defendants

DECISION/OPINION
AND ORDER OF COURT

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SUMMARY

The issue addressed in this Decision/Opinion is the constitutionality of Pennsylvania's assessment laws which permit real estate taxes to be levied on assessed values established by the use of a base year market value for an indefinite number of years. Allegheny County, for example, uses 2002 as its base year. This means that real estate taxes for 2007 are determined by using the 2002 fair market value of taxpayers' properties.

Under a base year system, market fluctuations between 2002 and 2007 are not considered. For example, the Woodland Hills School District includes Edgewood and Braddock. The 2007 school taxes paid by property owners in Edgewood and Braddock were calculated using 2002 fair market values even though between 2002 and 2005 property values in Edgewood increased by 35.87% while property values in Braddock declined by 16.09%.¹

The testimony establishes what would appear to be common knowledge. Property values change at different rates. Furthermore, values of properties in high-value neighborhoods appreciate at higher rates than property values in low-value neighborhoods.

Pennsylvania's property assessment laws do not require counties to conduct reassessments and few counties regularly do so. At least 34 of Pennsylvania's 67 counties have not conducted a comprehensive countywide reassessment within the twenty-year period from 1985-2005.²

¹Figures are not available for the years after 2005.

²The 2006 assessment information for the counties will not be available until late June 2007. See, *infra* at 25 footnote 24.

The constitutions of almost every state, including Pennsylvania, have Uniformity Clauses. Language in Pennsylvania's Uniformity Clause, presently set forth in Article VIII, Section 1, first appeared in the Pennsylvania Constitution adopted in 1874 and has never been changed. Case law from as early as 1909 to the present has consistently construed the Uniformity Clause to require equality of taxation. It is clear from established case law that this requirement of equality of taxation, as applied to property taxes, is met only when, to the extent reasonably practicable, the ratio of assessed value to actual value is the same for every property.

Tax assessments would be completely uniform—this being the theoretical goal of the Uniformity Clause that can never be achieved—if each property were assessed at, for example, 60% of fair market value (Example 1). Tax assessments would be generally uniform if most properties were assessed at between 55% and 65% of their fair market values. Tax assessments would lack uniformity if the percentages of assessed value to fair market value generally ranged from 30% to 90% in a county where the median assessment is 60% of fair market value (Example 2).

	<u>Actual Value</u>	<u>Assessed Value</u>	<u>Assessed Value</u>
		<u>Example 1</u>	<u>Example 2</u>
Property One	\$ 50,000	30,000 (60%)	45,000 (90%)
Property Two	\$100,000	60,000 (60%)	60,000 (60%)
Property Three	\$100,000	60,000 (60%)	30,000 (30%)

The coefficient of dispersion (COD) is a widely accepted statistical indicator of inequality in tax assessments. A COD of 15 means that approximately 50% of property owners are neither underassessed nor overassessed by more than 15% of fair market value. A COD of 40 means that approximately one out of every four taxpayers is

overassessed by at least 40% and approximately one out of every four taxpayers is underassessed by at least 40%. In other words, in a county with a COD of 40, one out of every four owners of property (those in the most overassessed quartile) pay real estate taxes of more than \$2.33 for every \$1.00 paid by the one in every four owners of properties in the most underassessed quartile.³

As of 2005, eighteen counties in Pennsylvania, including Philadelphia, had CODs of 40 or more. These eighteen counties had one thing in common: They had not conducted a reassessment for more than twenty years.

In Philadelphia, for example, in 2005 an owner of a property having a fair market value of \$100,000 that was assessed at the common level ratio paid property taxes of \$2,364; an owner of a property having a fair market value of \$100,000 in the most overassessed quartile paid property taxes of at least \$3,310; and the owner of property having a fair market value of \$100,000 in the most underassessed quartile paid property taxes of no more than \$1,418.

Difference in Amount of Taxes Paid Because of Incorrect Assessments
\$100,000 Property

Most Overassessed Quartile
At Least \$3,310

Most Underassessed Quartile
No More Than \$1,418

Using income tax terminology, one out of every four Philadelphia property owners was in a tax bracket of at least 3.31% and one out of every four property owners was in a tax bracket that did not exceed 1.42%.⁴

³In 2005, a majority of the counties in Pennsylvania had CODs in excess of 30. In a county with a COD of 30, the property owners in the most overassessed quartile pay real estate taxes of more than \$1.85 for every dollar paid by the property owners in the most underassessed quartile.

⁴In 2005, Philadelphia also had a high Price-Related Differential (PRD) of 1.18 which means that owners of less expensive properties are more likely to be overassessed and owners of more expensive properties are more likely to be underassessed.

Counties that reassess do not have high CODs. Page 26 of this Decision/Opinion lists twenty-two counties which conducted countywide reassessments producing CODs below 20 as of the year of the reassessment. Also, expert testimony that defendants did not challenge supports a finding that, under recognized assessment standards that are readily achievable, a county's COD should not exceed 15.⁵

Assessment laws that allow the use of a base year assessment without requiring reassessments violate the Uniformity Clause because (1) base year assessments are not intended to assess all properties at the same percentage of assessed value to actual value, (2) base year assessments inherently cause significant disparities in the ratio of assessed value to fair market value, and (3) base year assessments inevitably discriminate against owners of properties in lower-value neighborhoods.

If the General Assembly permitted a method for calculating income for purposes of paying the annual state income tax that resulted in 25% of the taxpayers paying an effective rate of taxation that is more than twice the effective rate of taxation of another 25% of the taxpayers, this legislation would have no chance of surviving a challenge based on the Uniformity Clause. The Pennsylvania Constitution intends for real estate taxes to be judged by the same standards.

Pennsylvania and Delaware are the only states without requirements that assessments be based on current or relatively current actual values. The laws and regulations of 22 of the remaining 48 states provide for annual assessments. Nine of these 22 states have specific requirements for periodic field reviews.

⁵A 2005 reassessment conducted by the Chief Assessment Officer of Allegheny County, that was never certified because of the County's adoption of a 2002 base year system for 2006 and future years, met International Association of Assessing Officers' (IAAO) standards of a COD of 15 or less and a PRD of between 0.98 and 1.03. See, *infra* at 29 footnote 28.

The other 26 states provide for reassessments at intervals of more than one year. With few exceptions, the period of time is between two and five years.

Pennsylvania and Delaware also differ from other states because the other 48 states—unlike Pennsylvania and Delaware—have state agencies that exercise supervisory responsibility over the assessment programs of the different counties. At page 53 is a description of the responsibilities that these agencies may assume.

For these reasons, I am entering a court order declaring that the provisions in Pennsylvania's assessment laws which allow a county to arrive at actual value by using a base year market value violate the Uniformity Clause of the Pennsylvania Constitution. Because my ruling involves a statewide issue—the constitutionality of the use of a base year method of assessment that every county in the Commonwealth uses—and because Allegheny County's assessments are more uniform than the assessments of most other counties, Allegheny County should not be governed by reassessment standards that do not apply to Pennsylvania's other 66 counties. Thus, the interests of justice are served by permitting Allegheny County to continue to assess property in the same manner as all other counties while the anticipated appeal from my ruling is pending in the Pennsylvania Supreme Court. Also, this will permit the General Assembly to consider whether to enact assessment laws similar to those of other states.

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DECISION/OPINION

WETTICK, A.J.

INTRODUCTION

The issue that I address in this Decision/Opinion is the constitutionality of Pennsylvania's assessment laws permitting real estate taxes to be levied on assessed values established by using the same base year market value for an indefinite number of years.¹

Prior to 1982, the real estate assessment laws governing the different counties required each county, except for Allegheny County which was permitted to conduct triennial assessments, to assess real property each year based on its current fair market value. It appears that most counties did not comply with this requirement. Through 1982 amendments to each of the assessment laws governing the different counties, each county, in arriving at the assessed value of each property in the county, was permitted to utilize either the current market value or to adopt a base year market value. This base year market value does not provide for the county to take into account market fluctuations in the different neighborhoods of the county occurring after the base year. If improvements are

¹Pa.R.C.P. No. 235 provides that in any proceeding in which an Act of Assembly is alleged to be unconstitutional and the Commonwealth is not a party, the party raising the question of constitutionality shall promptly give notice to the Attorney General of Pennsylvania. The Attorney General may intervene as a party or may be heard without the necessity of intervention. Plaintiffs complied with this rule by furnishing notice of its constitutional challenge to the assessment legislation to the Attorney General. By letter dated June 27, 2006, the Attorney General acknowledged receipt of plaintiffs' complaint (Transcript of Trial held December 11, 13, and 14, 2006, T. 5-6).

made to a building or if a house is built on vacant land years after the base year, the property's assessed value will be determined by using sales of comparable properties in the base year or base year construction schedules. In Butler County, for example, assessments are based on 1969 market values and 1969 construction costs. See *Clifton v. Allegheny County*, 154 P.L.J. 155, 159 (2006).

Plaintiffs contend that assessment laws which allow the use of base year values without imposing any requirements to conduct countywide reassessments, on their face, violate the Uniformity Clause of the Pennsylvania Constitution because this method of assessing real property inevitably produces arbitrary, unjust, and unreasonably discriminatory results. In addition, plaintiffs contend that this legislation violates the Uniformity Clause because it has, in fact, produced arbitrary, unjust, and unreasonably discriminatory results.

BACKGROUND—PRIOR ASSESSMENT LITIGATION

Prior to 2002, Allegheny County did not use a base year for calculating assessments. In the 1980s and 1990s, it purportedly assessed each property at its actual value in the current taxable year.² In actuality, the County did not conduct annual countywide reassessments. Instead, for most properties the next year's assessment—even though purportedly based on current fair market value—was the prior year's assessment, sometimes with a slight increase in neighborhoods where property values were increasing and a slight decrease in neighborhoods where property values were declining. At times, an entire area was actually reassessed, but the area might comprise only a portion of a school district. In these instances, the reassessed property owners were paying more

²Allegheny County appears to have been the only county in Pennsylvania that was purportedly conducting annual reassessments. Testimony of James M. Flynn, Jr., Allegheny County Manager, T. 203.

taxes proportionately than the owners of properties in the school district that had not been reassessed.

Although the Second Class County Assessment Law provided that assessments were to be established by the Allegheny County Board of Property Assessment, Appeals and Review ("Assessment Board"), on January 1, 1996 a newly elected Board of County Commissioners adopted a resolution freezing assessments except for physical changes to a property. One day later, the Assessment Board adopted a resolution freezing all property assessments except for new buildings, construction, improvements, and subdivisions. On January 2, 1997, the Assessment Board extended the freeze to tax year 1997. Although the resolutions did not say so, the Assessment Board intended for the freeze to remain in effect for five years or until such time as a countywide reassessment was conducted.³

Pursuant to a lawsuit brought by property owners, I ruled that the freeze violated the Second Class County Code which imposes an obligation on the Assessment Board to revise and equalize assessments on an annual basis.⁴ *Miller v. BPAAR*, 145 P.L.J. at 506-08. My court order provided for the Assessment Board to make appropriate adjustments and revisions during 1997 for the 1998 tax year.

Thereafter, the Assessment Board and the County advised this court that it was not feasible to correct the existing assessments through adjustments and revisions because the assessment system could not be repaired. At the County's request, I entered a consented-to court order dated January 15, 1998 modifying my prior orders of court setting

³The facts described in this paragraph are findings set forth in my opinion in *Miller v. Board of Property Assessment, Appeals and Review of Allegheny County*, 145 P.L.J. 501 (1997).

⁴Neither the Assessment Board nor the County claimed that Allegheny County was using a base year method of assessing property.

timetables for making adjustments and modifications and, in lieu thereof, ordered that a comprehensive countywide assessment be completed by the year 2000 for use in the year 2001.

The countywide assessment was completed and used for the year 2001. As of 2001, the Administrative Code of Allegheny County provided for annual reassessments. Consequently, in 2001 the County Assessment Office performed an annual reassessment for use in year 2002.⁵

In 2002, the Allegheny County Assessment Ordinance was amended to provide that the 2002 assessment would serve as a base year for years 2003-2005. The ordinance also provided that the assessments for 2006 would be established and furnished to the property owners by April 1, 2005, with an immediate right of appeal.

Pursuant to the 2002 Assessment Ordinance, in early 2005 the County's Chief Assessment Officer completed a computer assisted reassessment for use in the 2006 tax year. Under the County Administrative Code, the Chief Assessment Officer was not authorized to furnish the reassessment to County officials until she determined that it met uniformity standards of the IAAO and obtained independent verification that IAAO standards had been met. She determined that the reassessment met the uniformity standards of a COD of 15 or less and a PRD between .98 and 1.03 prescribed by the County Code and the IAAO. She also obtained independent verification from a mass appeal consultant (Robert J. Gloudemans).⁶

⁵See *Miller v. Board of Property Assessment, Appeals and Review of Allegheny County*, 150 P.L.J. 78 (2002), for a more detailed description of the facts described in this paragraph and the following paragraph.

⁶These findings of fact are based on plaintiffs' requests for admission which were not answered. See Plaintiffs' Ex. 1, ¶¶5-9. (Under Pa.R.C.P. No. 4014, the truth of a matter is admitted unless a verified answer is served on the requesting party.)

The assessment was never formally certified. On March 15, 2005, County Council enacted an ordinance (Ordinance 15) that provided for the Chief Assessment Officer to determine the actual value of each property, to perform an analysis of the increase or decrease in valuations in the different neighborhoods, and to assign a specific value limitation for each neighborhood: decrease, no change, one percent, two percent, three percent, or four percent. Under this ordinance, the assessed value of a property could not increase by more than four percent.

In *Sto-Rox School District and James Clifton v. Allegheny County*, 153 P.L.J. 193 (2005), I ruled that this ordinance directing the Chief Assessment Officer to determine the taxable values of properties within Allegheny County by reducing the actual values of only certain properties and by reducing the actual values of these properties by different percentages violated the Home Rule Charter of Allegheny County, the Second Class County Charter Law, Pennsylvania's laws governing assessments of real property, and the Uniformity Clause of the Pennsylvania Constitution. However, I denied plaintiffs' request that I direct the County to direct the Chief Assessment Officer to certify the 2006 assessed values of the previously discussed assessment completed in early 2005 for use by the taxing bodies in levying property taxes for the 2006 tax year. In Ordinance 15, County Council made a finding of fact that the property valuations produced in this reassessment are subject to lingering questions and criticisms due to a number of factors. My opinion stated:

If the 2006 reassessment is subject to lingering questions and criticism, it is the responsibility of the County to promptly make available to the Office of Property Assessments and the Chief Assessment Officer whatever resources are needed to improve the process. Furthermore, the County cannot justify inaction by waiting for a "perfect" reassessment. *Id.* at 196 (footnote omitted).

On October 18, 2005, County Council enacted an ordinance (Ordinance 45) which amended the County Administrative Code to provide for the continued use of the 2002 assessment as a base year, meaning that for 2006 and subsequent years, assessments will be based on a property's value as of 2002.⁷ This ordinance deleted the requirement in the County Administrative Code that the Chief Assessment Officer conduct ratio studies to determine that the assessed values meet IAAO uniformity and equality standards.

PRESENT LITIGATION

In the present litigation, plaintiffs initially challenged the legality of Ordinance 45.

Kenneth Pierce and Stephanie Beechaum instituted the lawsuit at GD05-028355. Mr. Pierce's property, located in Braddock, was assessed by the County at \$27,900 in 2002. His property continues to be assessed by the County at this same value and will be assessed at this value for the indefinite future (unless challenged through the appeal process). His property is overassessed. The uncertified value of his property for the 2006 tax year on the County's Real Estate Website was \$14,200. This value was based on the 2005 uncertified reassessment and is far closer to his property's actual value.⁸

⁷The ordinance does not set forth any date by which the Office of Property Assessments will conduct a countywide reassessment that will replace the 2002 base year assessments. However, the ordinance provides that for the 2009 tax year only, the Chief Executive will retain a qualified expert to conduct a detailed study of the existing property assessment system in Allegheny County and a final report will be distributed to the Chief Executive and County Council no later than sixty days before the final certification roll is provided to the taxing bodies. Ordinance 45, §210.08(E)(3).

⁸These findings of fact are based on paragraphs 6, 7, and 8 of plaintiffs' original complaint incorporated by reference into plaintiffs' corrected amended complaint, and the general denials of Allegheny County to paragraphs 1-31 of the complaint. (Under Pa.R.C.P. No. 1029(b), a general denial shall have the effect of an admission.)

These findings of fact are also based on the requests for admission which were not answered (Plaintiffs' Exhibit 1). The facts, based on the unanswered requests for admission, are as follows: In February 2005, the County posted uncertified values of all real property based on a computer-assisted reassessment which it had just completed for the 2006 tax year. This assessment met IAAO standards of a coefficient of dispersion of 15 or less and a price related differential of between .98 and 1.03. A breakdown by municipality of changes that would result from the replacement of the 2002 reassessment with the 2005

Stephanie Beechaum is the owner of her house located in the Hill District neighborhood of Pittsburgh. Her property is assessed at \$29,000 based on a 2002 assessment of \$29,000. The property is overassessed. The uncertified value of her property based on the 2005 assessment was \$15,500, an amount much closer to her property's actual value.⁹

James C. Clifton, Charles and Lorrie Cranor (husband and wife), and Roy Simmons and Mary Lisa Meier (husband and wife) instituted the lawsuit at GD05-028638.

James C. Clifton is the owner of property situated in Wexford, Pa. He purchased the property on June 11, 2004 for \$532,000. The 2005 assessed value of the property was \$508,000.¹⁰ Public records show that its 2002 assessed value was \$425,400; at the time he purchased the property, its 2004 assessed value was \$508,000; and its 2006 assessed value is \$508,000.

Plaintiffs Charles and Lorrie Cranor purchased property in the City of Pittsburgh on December 8, 2003 for \$730,000. Its 2005 assessed value was \$730,000. Public records show that its 2002 assessed value was \$466,000; at the time they purchased the property, its 2003 assessed value was \$466,000; and its 2006 assessed value is \$730,000.

Plaintiffs Mary Lisa Meier and Roy Simmons purchased property in Mt. Lebanon on April 6, 2004 for \$412,500. Its 2005 assessed value was \$412,500. Public records show

reassessment shows that countywide assessed values would increase by 18.96% and that total assessed values increased in each of the municipalities on the County's list except for Braddock, Clairton, Homestead, North Braddock, and Wilkinsburg. In Braddock, assessed values fell by 16.09%.

⁹These findings of fact are based on paragraphs 9, 10, 11, and 12 of plaintiffs' original complaint incorporated by reference into plaintiffs' corrected amended complaint, the general denials of Allegheny County to paragraphs 1-31 of the complaint, and the unanswered requests for admission described in footnote 9.

¹⁰Because of a County homestead exemption, the County assessed values are reduced by \$15,000 for purposes of the real estate tax imposed by Allegheny County. I will ignore any homestead exemptions in this Opinion.

that its 2002 assessed value was \$223,700; at the time they purchased the property, its 2004 assessed value was \$223,700; and its 2006 assessed value is \$412,500.¹¹

In their original complaints, plaintiffs sought a court order that I declare the use of 2002 property values as the fair market values of properties for 2006 to be contrary to the assessment laws, and that I order the Chief Assessment Officer to certify the 2006 assessment values based on the assessment completed in early 2005. Defendants filed preliminary objections seeking dismissal of the complaints for failure to state grounds for relief.

While the original complaints referred to violations of the Uniformity Clause of the Pennsylvania Constitution (Article VIII, §1), the core of the complaints (and the only issue addressed by the parties in their briefs) was whether Pennsylvania's assessment laws permitted Allegheny County to use 2002 actual values for a 2006 assessment.¹² In a March 15, 2006 Opinion and Order of Court, *Clifton v. Allegheny County, supra*, I ruled that the assessment laws governing each county, including the Second Class County Assessment Law, permit the use of a base year system in which the assessed value of a property in subsequent years is based on its value in the base year. I rejected plaintiffs' argument that the provisions of the assessment laws permitting a county to adopt a base year value mean only that a county is entitled to have current values expressed as base year values.

¹¹The 2002 fair market values of the three properties described in the Clifton Complaint were increased because of appeals taken by the taxing bodies and not because of any action taken by the Office of Property Assessments.

¹²At oral argument on December 21, 2005 (at which a court reporter was present), counsel for the *Pierce* plaintiffs said that at this time plaintiffs were not raising any constitutional claims because plaintiffs believed that Pennsylvania's assessment laws require the use of an assessment system which takes current values into consideration. He said that plaintiffs intended to file an amended complaint challenging the constitutionality of Pennsylvania's assessment laws if I ruled that they do not require consideration of current values.

While I concluded that the clear language of the assessment laws provides for assessments in future years to be based on actual values in the base year, I said that if there appeared to be a uniform understanding in the other counties of how a base year method of assessing property works that is not consistent with my construction of the language of the 1982 amendments permitting the use of base year assessments, I should probably give less weight to the language of the 1982 amendments and more weight to how the counties are operating their base year assessment systems.

My Opinion stated that my senior law clerk had telephone conversations with the chief assessment officer or other member of the staff of sixteen counties identified in the Opinion. Each of these counties uses a base year assessment system. The base year assessment system, as described by the chief assessment officer or other member of the staff, operates in the same fashion in each county:

In determining the assessed value every year in each county, the assessment office does not give any consideration to sales occurring after the base year. Assessments established by the assessment office do not reflect any market fluctuations in the different municipalities and school districts from the date of the base year to the current year. New construction and improvements are assessed using base year values. For example, a county will use base year construction cost schedules (or a computer program) that it applies to new construction. (Several assessors said that conversion to base year construction costs is sometimes complicated by use of materials and methods of construction that did not exist in the base year.) For the comparable sales approach, a county will use records (or a computer program) of the sales of comparable properties in the base year. *Id.* at 159 (footnote omitted).

Also see *Downingtown Area School District v. Chester County Board of Assessment Appeals*, 913 A.2d 194, 203 (Pa. 2006).

While my Opinion and Order of Court sustained defendants' preliminary objections seeking dismissal of the claims that the County ordinance creating a base year method of assessing property using 2002 assessed values for 2006 and subsequent years violates

the state assessment laws, I permitted plaintiffs to file amended complaints raising constitutional challenges to the state assessment laws.

In both lawsuits, plaintiffs filed amended complaints in which they alleged that Pennsylvania's base year method of assessing property, as described in my March 15, 2006 Opinion, violates the Uniformity Clause of the Pennsylvania Constitution. After answers were filed to plaintiffs' amended complaints, a nonjury trial was held on December 11, 13, and 14, 2006 addressing the issue of the constitutionality of the provisions of Pennsylvania's assessment laws that permit real estate taxes to be based on the same base year values for an indefinite number of years.¹³

DISCUSSION OF THE UNIFORMITY CLAUSE

Because the issue that I am addressing is whether the provisions in Pennsylvania's assessment laws permitting counties to value property by indefinitely using the same base year values violate the Uniformity Clause of the Pennsylvania Constitution, a review of the case law construing the Uniformity Clause is instructive. The Uniformity Clause, presently set forth in Article VIII, § 1, reads as follows:

Section 1. Uniformity of taxation

All taxes shall be uniform, upon the same class of subjects, within the territorial limits of the authority levying the tax, and shall be levied and collected under general laws.

This identical language first appeared in the Pennsylvania Constitution adopted in 1874. This language has never been changed. Act No. 2 of 1967 which permitted the electorate to determine whether a constitutional convention shall be called, included a

¹³Final briefs were filed on February 6, 2007.

provision that the convention shall not consider or include any proposal which alters the language of the Uniformity Clause. Act of March 15, 1967, P.L. 2, § 7(b) at 7.

Pennsylvania's Constitution does not explicitly provide for real property to be treated as a single class. Constitutions of other states with similar provisions have been construed by some state appellate courts to permit legislation dividing real property into different classes and by other state appellate courts to require that real property be classified as a single class. In his treatise on constitutional uniformity and equality in state taxation, Professor Newhouse, following a detailed discussion of Pennsylvania case law, concluded that "[b]efore 1967 we could have reasonably concluded, on the basis of outcomes in several cases, that it was permissible to classify real estate, no matter what rhetoric was found in other cases." 2 Wade J. Newhouse, *Constitutional Uniformity and Equality in State Taxation*, § 3.38 at 1399 (2d ed. 1984). However, from 1967 when the Pennsylvania Supreme Court affirmed the case of *Madway v. Board of Assessors, sub. nom, In re Lower Merion Township*, 233 A.2d 273 (Pa. 1967), to the present, the Pennsylvania appellate courts have consistently ruled that the Uniformity Clause prohibits any legislation that divides real estate as a subject of taxation into different classes.

See, e.g., *Downingtown v. Chester County Board of Assessment Appeals, supra*, 913 A.2d at 206 (Cappy, C.J., dissenting) ("The Uniformity Clause, however, requires that all types of property must be taxed at the same rate."); *Westinghouse Elec. Corp. v. Board of Property Assessment, Appeals and Review*, 652 A.2d 1306, 1314 (Pa. 1995) ("[A]ll real estate is a constitutionally designated class entitled to uniform treatment and the ratio of assessed value to market value adopted by the taxing authority must be applied equally and uniformly to all real estate within the taxing authority's jurisdiction."); *Keebler Co. v. Board of Revision of Taxes*, 436 A.2d 583, 584 (Pa. 1981), quoting *Deitch Company v.*

Allegheny County Board of Property Assessment, 209 A.2d 397, 402 (Pa. 1965) (“[T]he uniformity requirement of the Constitution of Pennsylvania has been construed to require that all real estate is a class which is entitled to uniform treatment.”); and *In re Johnstown Assocs.*, 412 A.2d 198, 201 (Pa. Cmwlth. 1980), vacated on other grounds, 431 A.2d 932 (Pa. 1981) (“[R]eal estate *is* the class and all real estate must be assessed uniformly based upon actual values.”).

In 1909 in *Delaware, L.&W.R. Co.’s Tax Assessment*, the Pennsylvania Supreme Court described the constitutional requirement of uniformity as follows:

Each person, natural or artificial, must bear his share of the public burdens, and the burden of each is measured by the ratio ascertained by dividing the total amount of taxes necessary to meet the public burdens in a given district by the whole valuation of property within the territorial limits of that district, and, when the ratio is thus fixed, the amount of tax to be paid by each individual property owner is determined by multiplying the assessed value of his property by this ratio. This rule has resulted from the demands made by the people upon legislative bodies for equality of taxation. The large property owner and the small holder pay upon the same ratio, and when the valuation has been ascertained and fixed upon a fair basis, which means that the valuation should be based as nearly as practicable upon market value, and, if not on market value, then upon the relative value of each property to market value, there results what is known in organic and statute law as uniformity, which is the desideratum to be attained in any just system of taxation. While every tax is a burden, it is more cheerfully borne when the citizen feels that he is only required to bear his proportionate share of that burden measured by the value of his property to that of his neighbor. This [is] not an idle thought in the mind of the taxpayer, nor is it a mere speculative theory advocated by learned writers on the subject; but it is a fundamental principle written into the Constitutions and statutes of almost every state in this country. In Pennsylvania the framers of the new Constitution embodied this principle in our organic law in terms so plain that no one should misunderstand its meaning or doubt its application, and the people by the adoption of that instrument placed the seal of their approval upon a system of taxation which has for its corner stone uniformity in the valuation, levy, and collection of all taxes. . . . There is, perhaps, no other section of the Constitution upon which the courts above and below have been so frequently required to pass in the administration of their duties. The central thought running through all the opinions is that the principle of uniformity is a constitutional mandate to the courts, to the Legislature, and to the taxing authorities, in the levy and assessment of taxes which cannot be disregarded. The purpose of requiring all tax laws to be uniform is to produce

equality of taxation. Absolute equality is difficult of attainment, and approximate equality is all that can reasonably be expected. Hence it has been held that where there is substantial uniformity the constitutional requirement has been met. [Citations omitted.] But all these cases hold there must be substantial uniformity, which means as nearly uniform as practicable in view of the instrumentalities with which and subjects upon which tax laws operate. It is the duty of the courts in dealing with this subject to enforce as nearly as may be equality of burden and uniformity of method in determining what share of the burden each taxable subject must bear. *Delaware, L.&W.R. Co.'s Tax Assessment*, 73 A. 429, 430 (Pa. 1909) (citations omitted) (emphasis added).

From 1909 to the present, the Pennsylvania appellate courts continue to cite the above-quoted portion of the *Delaware, L.&W.R.* opinion for the principle that the Pennsylvania Constitution requires that valuations be based, as nearly as practicable, on the relative value of each property to market value and that this requirement, that a citizen is only required to bear his or her proportionate share of the burden of taxation measured by the value of his or her property to that of his or her neighbor, is a fundamental principal written into the Pennsylvania Constitution. See, e.g., *Downingtown v. Chester County Board*, *supra*, 913 A.2d at 199; *City of Lancaster v. Lancaster County*, 599 A.2d 289, 298 (Pa. Cmwlth. 1991); *Long v. Kistler*, 457 A.2d 591, 593 n.6 (Pa. Cmwlth. 1983); and *Kenney v. Keebler Co.*, 419 A.2d 210, 212 (Pa. Cmwlth. 1980).

In 1958, in *In re Brooks Building*, 137 A.2d 273 (Pa. 1958), the taxpayer produced evidence that several comparable properties were assessed at rates ranging from 40.2% to 57.2% of fair market value while its property was assessed at 91.9% of fair market value. The Pennsylvania Supreme Court ruled that the trial court erred in denying relief on the ground that the taxpayer had not proved that there was a uniform ratio of assessed value to actual value that had been applied generally throughout the district. The Court also rejected the taxing bodies' argument that a taxpayer whose assessment does not exceed 100% of fair market value has no standing to sue. The Court quoted from its prior opinions

where it stated that a tax must be applied uniformly and with substantial equality of the tax burden to all members of the class. The case was remanded to the trial court to fix the assessment.

In 1965 in *McKnight Shopping Center v. Board of Property Assessment, Appeals and Review*, 209 A.2d 389 (Pa. 1965), the Pennsylvania Supreme Court reversed the ruling of the trial court that gave no weight to the uncontested testimony of the taxpayer that its property was assessed at 88.5% of market value while the ratios of the assessed values to market values of two other shopping centers were 57% and 76%. In its opinion, the Court discussed the requirements imposed by Article IX, § 1:¹⁴

Our Constitution, Art. 9, § 1, P.S., requires all taxes to be uniform on the same class of subjects within the territorial limits of the authority levying the tax. In applying this provision of our Constitution to the taxation of real estate, it is clear that *all* real estate is the class entitled to uniform treatment and that the ratio of assessed value to market value adopted by the taxing authority—be it 20%, 60% or 100%—must be applied equally and uniformly to all real estate within the jurisdiction of such authority. This does not mean that different factors may not be employed in arriving at market values for one type of real estate when contrasted with another type of real estate. Certainly, the factors which affect the market value of a parcel of commercial property may differ from those which affect the market value of a residence. However, once the relevant factors are applied and market values are determined, the ratio of the assessed values to these market values must be uniform throughout the taxing district. *Id.* at 392 (footnote and citation omitted).

In 1976, in *Appeal of F. W. Woolworth Company*, 235 A.2d 793 (Pa. 1967), the Supreme Court ruled that the trial court erroneously failed to reduce the fair market value of the property by the common level ratio of assessed values to market values throughout the county as testified to by the taxpayer's expert. The Court held that a valid study of the ratio of assessed value to market value covering the entire district is the preferred way of determining a common level ratio: "Since uniformity has at its heart the equalization of the

¹⁴Former Article IX, § 1 was renumbered Article VIII, § 1 in the current Pennsylvania Constitution.

ratio among all properties in the district, *Deitch*, supra [209 A.2d 397], a determination based on the district as a whole necessarily is more conducive to achieving a constitutional result than one based upon a few properties.” *Id.* at 795 (emphasis added).

In 2006, in *Beattie v. Allegheny County*, 907 A.2d 519 (Pa. 2006), the Pennsylvania Supreme Court described the scope of the Uniformity Clause as applied to real property assessments as follows:

In the first place, although the complaint alleged that there was a systemic under-valuation in the high-end properties and the opposite effect for low-end parcels, “taxation is not an exact science,” and hence, “perfect uniformity or absolute equality is not required,” instead, some practical inequalities are anticipated, and rough uniformity with a limited amount of variation is permitted so long as the taxing scheme does not impose substantially unequal tax burdens. Thus, to support the proposition that the County was duty-bound to re-apply the CAMA system in an alternate manner, Appellants’ allegations would preliminarily have had to demonstrate the absence of rough or substantial equality in the present operation of the CAMA system. They would also necessarily have had to specify the manner in which the system should be re-applied so that constitutionally acceptable results would obtain. *Id.* at 529-30 (citations omitted).

In *Downingtown Area School District v. Chester County Board of Assessment Appeals*, supra, the Pennsylvania Supreme Court ruled that a law governing assessment appeals which required that a property be assessed at 100% of its actual value so long as the common level ratio for the county is at least 85% of its actual value violated the Uniformity Clause because it barred the taxpayer whose property is the subject of an assessment appeal from showing that comparable properties are assessed at lower percentages of assessed value to market value:¹⁵

¹⁵The Court also ruled that the taxpayer was entitled to assert a lack of uniformity challenge under which the trial court would be required to reduce the assessed value of the property (a shopping center) to less than the county’s common level ratio if the taxpayer could establish that other comparable shopping centers are assessed at below the common level ratio. (continued)

As early as 1930, this Court recognized that a taxpayer is entitled to relief under the Uniformity Clause where his property is assessed at a higher percentage of fair market value than other properties throughout the taxing district. This precept is based upon the general principle that taxpayers should pay no more or less than their proportionate share of government. 913 A.2d at 199 (citations omitted).

The Court's opinion described as "the prevailing requirement that similarly situated taxpayers should not be deliberately treated differently by taxing authorities." *Id.* at 201 (footnote omitted). In footnote 10, the Court, citing *Beattie v. Allegheny County, supra*, stated that in this context, the term "deliberate" does not exclusively connote wrongful conduct, "but also includes any intentional or systematic method of enforcement of the tax laws." *Id.* n.10.

The *Beattie* opinion, 907 A.2d at 527, quoted from *Allegheny County v. Monzo*, 500 A.2d 1096 (Pa. 1985), where the Court said: "Moreover while reasonable and practical classifications are justified, where a method or formula of computing a tax will, in its operation or effect, produce arbitrary or unjust or unreasonably discriminatory results, the constitutional provision relating to uniformity is violated." *Id.* at 1104 (citations omitted).

Also see *Appeal of School District of City of Allentown*, 87 A.2d 480 (Pa. 1952), where the Court said:

While taxation is not a matter of exact science and perfect uniformity and absolute equality in taxation can rarely ever be attained, the imposition of taxes which are to a substantial degree unequal in their operation or effect upon similar kinds of business or property, or upon persons in the same classification, is prohibited. Moreover while reasonable and practical classifications are justifiable, where a formula or method of computing a tax will, in its operation or effect, produce arbitrary or unjust or

The evidence offered in this *Clifton/Pierce* litigation shows that the use of a base year system results in the overassessment of lower-valued properties and the underassessment of higher-valued properties. If an owner of a \$600,000 residential property can show that the average assessment of residential properties of \$600,000 or more is 57% of fair market value in a county with a common level ratio of 70%, this property owner will contend that *Downingtown* requires that the assessment be reduced to 57% until a countywide reassessment is conducted.

unreasonable discriminatory results, the constitutional provision relating to uniformity is violated. *Id.* at 484 (citations omitted) (emphasis added).

STANDARDS FOR MEASURING ASSESSMENT UNIFORMITY

EPR

Pennsylvania's assessment legislation provides for each county to adopt an intended ratio of assessed value to market value for a given tax year (Established Predetermined Ratio or EPR). In Allegheny County, the EPR is 100%, meaning that Allegheny County intends the assessed value to be 100% of a property's actual value, using 2002 values.¹⁶ The EPR is only the county's intended ratio of assessed value to market value for any given year; it does not measure actual uniformity.

CLR

The common level ratio (CLR) is the countywide ratio of assessed values to actual values.¹⁷ For example, a county's common level ratio will be 70% if the total assessed value of properties sold in arms length sales in a year is 70% of the total market value of the properties:

	<u>Property 1</u>	<u>Property 2</u>	<u>Property 3</u>	<u>Property 4</u>	<u>Property 5</u>
Assessed Value	60,000	30,000	60,000	100,000	100,000
Sales Price	40,000	60,000	100,000	100,000	200,000
CLR—70%					

¹⁶The EPR is discussed in *Downingtown v. Chester County Board of Assessment Appeals*, *supra*, 913 A.2d at 202-03, n.13.

¹⁷The State Tax Equalization Board (STEB) calculates the common level ratio for each county, based on the previous year's sales, using statistically acceptable techniques. *Downingtown*, *supra*, 913 A.2d at 200 n.8.

The common level ratio also does not address uniformity. It is possible that in a county with a common level ratio of 60%, the assessed values of most properties are between 55% and 65% of fair market value. This assessment would fulfill the requirements of the Uniformity Clause that all property be assessed, to the extent it is practicable, at the same percentage of value. However, it is also possible that in a county with a common level ratio of 60%, large numbers of properties are assessed at more than 90% of fair market value and large numbers of properties are assessed at less than 30% of fair market value. This assessment would not fulfill the requirements of the Uniformity Clause that all property be assessed, to the extent that it is practicable, at the same percentage of value. See *Beattie v. Allegheny County*, *supra*, 907 A.2d at 530 (“[S]ome practical inequities are anticipated, and rough uniformity with a limited amount of variation is permitted so long as the taxing scheme does not impose substantially unequal burdens.”).

While the CLR does not measure uniformity, it permits each property owner to determine whether his or her property is overassessed by comparing its assessed value to its fair market value and determining whether this ratio exceeds the common level ratio.¹⁸

COD and PRD

The coefficient of dispersion (COD) is the widely accepted statistical indicator of inequality in tax assessments. Testimony of Richard Almy, T. 98-99. The COD is the average deviation from the median, mean, or weighted mean ratio of assessed value to fair

¹⁸However, except for Philadelphia residents, the property owner who calculates the ratio of assessed value to fair market value for his or her property, knows only whether he or she is paying a disproportionate share of the county taxes. He or she does not know the average ratio of assessed value to fair market value for the municipality and school district in which the property is located. For example, even if the property owner's ratio of assessed value to fair market value is 70% in a county with a CLR of 70%, the property owner would be paying a disproportionate share of the school district and municipal taxes if the average ratio of assessed value to fair market value for the municipality and school district is 54%.

market value, expressed as a percentage of that figure. See *Beattie v. Allegheny County, supra*, 907 A.2d at 530 n.7; *Millcreek Township School District v. County of Erie*, 714 A.2d 1095, 1097 (Pa. Cmwlth. 1998); *Harrisburg v. Dauphin County Board of Assessment Appeals*, 677 A.2d 350, 355 (Pa. Cmwlth. 1996); *City of Lancaster v. County of Lancaster*, 599 A.2d 289, 297 n.12. (Pa. Cmwlth. 1991); and testimony of Richard Almy, T. 99, 108.

A high coefficient of dispersion indicates a high degree of variance. For example, a COD of 30 in a county with 100,000 parcels of taxable property means that the assessed values of approximately one-half of the properties in the county (i.e., 50,000 properties) either exceed the common level ratio by 30% or are less than 30% of the common level ratio. In other words, close to 25,000 of the properties will be assessed at no more than 70% of the common level ratio while another 25,000 of the properties will be assessed at 130% or more of the common level ratio. See testimony of Richard Almy, T. 106-107, 129-130.

The price-related differential (PRD) is a widely accepted indicator of inequality between high-value properties and low-value properties. PRDs above 1.03 indicate assessment regressivity (an appraisal bias in which high-value properties are appraised lower than low-value properties relative to actual value). PRDs below 0.98 indicate tax progressivity (an appraisal bias in which high-value properties are appraised higher than low-value properties relative to their actual value). *Beattie v. Allegheny County, supra*, 907 A.2d at 521 n.2; testimony of Richard Almy, T. 114-117.

The standards in the *Standard on Ratio Studies* issued by the IAAO have been widely accepted as the criteria to judge the adequacy of an assessment. See pages 20-21, *infra*. Under IAAO standards for single-family residential property, the COD may not exceed:

<u>Type of Property</u>	<u>COD</u>
Single-family residential	
Newer, more homogenous areas	10.0% or less
Older, heterogeneous areas	15.0% or less
Rural residential and seasonal	20.0% or less

and the PRD for all types of single-family residential property shall be between 0.98 and 1.03.

Richard Almy is the former executive director of IAAO (T. 70). The report prepared for this litigation (Richard R. Almy and Robert C. Denne, *Report on Uniformity of Real Property Assessment under Indefinite Base Year Assessment Legislation in Pennsylvania*, November 30, 2006 ("Almy Report")) was admitted into evidence as Plaintiffs' Exhibit 6 (T. 143-144). He testified that the coefficient of dispersion is the statistic that is most commonly used to measure uniformity. The IAAO standards for acceptable CODs reflect a level of uniformity that is readily achievable (T. 110-111) and the range of .98 to 1.03 for PRDs is also readily achievable (T. 124-125). These IAAO standards were first adopted in 1980 and have not been changed; they have stood the test of time (T. 125). Also see Section 6 of the Almy Report at 11-12.¹⁹

Alan S. Dornfest, Policy Tax Policy Supervisor for the Idaho State Tax Commission, conducted and published a 2003 Survey of the Ratio Study Practices of U.S. and Canada. Forty-nine states, the four counties of Hawaii, and the District of Columbia responded to the survey (http://www.tax.idaho.gov/propertytax/pt_surveyresults.htm). The results of the survey as to assessment uniformity are set forth in Appendix C / Table 4 at 7:

¹⁹I find to be credible Mr. Almy's testimony and the contents of the November 30, 2006 Report described in this Opinion, none of which was challenged by Allegheny County.

Idaho State Tax Commission
Boise2003 Survey of Ratio Study Practices of US and Canada
Appendix C / Table 4: US Responses

Question #:	Q13a							Q13b
State	Assessment Uniformity: COD/COV Standard?	'99 IAAO Standard or 2 for homogeneous residential?	'99 IAAO Standard or 2 for heterogeneous residential?	'99 IAAO Standard or 2 for rural res. and seasonal?	'99 IAAO Standard or 2 for urban income properties?	'99 IAAO Standard or 2 for rural income properties?	'99 IAAO Standard or 2 for un-improved properties?	Assessment Uniformity: PRD Standard?
Alabama	Yes	20	20	20	20	20	20	No
Alaska	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
Arizona	Yes	15.0 Maricopa	20.0 All other	20.0	less than 25.0	less than 25.0	less than 25.0	No
Arkansas	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
California	No	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	No
Colorado	Yes	15.99 or less	15.99 or less	20.99 or less	20.99 or less	20.99 or less	20.99 or less	Yes
Connecticut	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
Delaware	No							No
Dist. Col.	Yes							Yes
Florida	Yes	15% or less		15% or less	20% or less	20 % or less		Yes
Georgia	Yes	15% or less	15% or less	20% or less for	20% or less	20 % or less		Yes
Hawaii-Hawaii Co.	No							No
Hawaii-Honolulu Co.	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
Hawaii-Kauai Co.	No							No
Hawaii-Maui Co.	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
Idaho	Yes	15	IAAO	15	20	IAAO	IAAO	Yes
Illinois	No							No
Indiana	Yes	15 or less	IAAO	IAAO	20 or less	IAAO	IAAO	No
Iowa	Yes	20.0	20.0	20.0	20.0			Yes
Kansas	Yes	20.0 or less	20.0 or less	20.0 or less	20.0 or less	20.0 or less	20.0 or less	Yes
Kentucky	Yes	20 or less	20 or less	20 or less	20 or less	20 or less	20 or less	No
Louisiana	Yes	20.0 or less	20.0 or less	IAAO	20.0 or less	IAAO	IAAO	Yes
Maine	Yes	20	IAAO	IAAO	IAAO	IAAO	IAAO	No
Maryland	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
Massachusetts	Yes	10%	10%	10%	20%	20%	20%	Yes
Michigan	No							No
Minnesota	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
Mississippi	Yes	25.0	25.0	25.0	25.0	25.0	25.0	Yes
Missouri	No							No
Montana	No							No
Nebraska	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
Nevada	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	No
Nevada	Yes	20.0	20.0	IAAO	20.0	IAAO	IAAO	Yes
New Hampshire	Yes	15 or less	IAAO	15 or less	15 or less	15 or less	15 or less	No
New Jersey	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
New Mexico	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
New York	Yes	COD varies by local jurisdiction's population density: Low <=20; Med. <=17; High <= 15						Yes
North Carolina	No							No
North Dakota	No							No
Ohio	Yes							Yes
Oklahoma	Yes	20	20	20	20	20	20	No
Oregon	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	No
Pennsylvania	FALSE							No
Rhode Island	No							No
South Carolina	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	No
South Dakota	Yes	25.0 OR LESS	25.0 OR LESS	25.0 OR LESS	25.0 OR LESS	25.0 OR LESS	25.0 OR LESS	No
Tennessee	No	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	No
Texas	Yes	30	30	30	30	30		No
Utah	Yes	15	15	20-25	15	20	20-25	No
Vermont	Yes	20.0 (not on	20.0 (not on	20.0 (not on	20.0 (not on	20.0 (not on	20.0 (not on	No
Virginia	No							No
Wash	No							No
West Virginia	Yes	15	IAAO	IAAO	20	IAAO	IAAO	No
Wisconsin	Yes	IAAO	IAAO	IAAO	IAAO	IAAO	IAAO	Yes
Wyoming	Yes	15.0 or less	IAAO	IAAO	20.0 or less	IAAO	IAAO	Yes

The results of the survey as to forty-nine states, Hawaii's four counties, and the District of Columbia for "heterogeneous residential" are as follows:

twenty-four jurisdictions, including two of Hawaii's four counties, reported that they either used the IAAO COD standard or described a COD standard which they used that did not exceed the IAAO standard of fifteen;

ten additional jurisdictions described a COD standard that exceeded the IAAO standard but did not exceed twenty;

two additional jurisdictions permitted a COD that did not exceed twenty-five and another jurisdiction permitted a COD that did not exceed thirty;

three jurisdictions answered "yes" but did not list a COD; and

Pennsylvania and fourteen other jurisdictions, including two of Hawaii's four counties, responded "no" to the question of whether they had adopted a COD/COV standard.²⁰

Twenty-four of the jurisdictions answered "yes" to the question of whether it had a PRD standard.

FINDINGS BASED ON STEB RATIOS

In 1947, the Pennsylvania State Tax Equalization Board (STEB) was established to compensate for the lack of assessment uniformity statewide because fair market values are a factor for allocating state funds to school districts. *School District of Newport Township v. State Tax Equalization Board*, 79 A.2d 641 (Pa. 1951).

As a result of 1982 amendments to the State Tax Equalization Board Law, STEB calculates a common level ratio for each county on an annual basis. Act of June 27, 1947, P.L. 1046, as amended, Act of December 13, 1982, P.L. 1158, 72 P.S. § 4656.1 *et seq.* The STEB ratio is based on sales information furnished by the counties as well as

²⁰California responded "no" but reported that they used the IAAO standard.

independent appraisal data and other relevant information. See *Downingtown, supra*, 913 A.2d at 200 n.8; and *In re Appeal of Armco, Inc.*, 515 A.2d 326, 329 (Pa. Cmwlth. 1986).

From 1982, STEB has each year published assessment statistics for each county. Initially, STEB published only the predetermined ratio (PDR) and CLR for each county.²¹ From 1988 to the present, the annual statistics include the PDR, CLR, and COD. As of 1992, the annual statistics also include the PRD.

The following chart sets forth the STEB statistics for 2005.²²

²¹The PDR is the EPR described at page 17 of this Opinion.

²²The annual statistics from 1988 to 2004 are attached to this Opinion as Attachment 1.

STATE TAX EQUALIZATION BOARD

Pennsylvania

County Assessment Statistics for 2005

PDR=Predetermined Ratio CLR=Common Level Ratio COD=Coefficient of Dispersion PRD=Price Related Differential

COUNTY	PDR	CLR	COD	PRD	COUNTY	PDR	CLR	COD	PRD
Adams	50.0	25.1	28.8	1.03	Lackawanna	100.0	16.8	50.0	1.34
x Allegheny	100.0	91.1	22.3	1.10	r Lancaster	100.0	82.1	14.5	1.04
Armstrong	50.0	37.0	34.7	1.20	x Lawrence	100.0	87.7	26.5	1.09
Beaver	50.0	30.2	40.5	1.27	r Lebanon	100.0	14.7	29.0	1.14
Bedford	100.0	18.3	43.5	1.17	Lehigh	50.0	31.7	21.7	1.07
Berks	100.0	75.0	21.6	1.06	Luzerne	^	5.8	40.7	1.12
Blair	75.0	8.2	30.0	1.00	xr Lycoming	100.0	91.2	17.0	1.06
Bradford	50.0	38.0	29.1	1.09	xr McKean	100.0	91.5	19.7	1.07
r Bucks	100.0	9.9	20.4	1.03	Mercer	100.0	27.2	42.5	1.35
Butler	75.0	9.8	31.8	1.10	x Mifflin	50.0	45.8	24.2	1.10
r Cambria	100.0	27.8	49.0	1.26	Monroe	25.0	14.1	30.1	1.12
Cameron	50.0	32.5	41.0	1.22	Montgomery	100.0	53.4	16.8	1.06
Carbon	50.0	36.5	39.8	1.15	r Montour	100.0	10.1	33.4	1.04
Centre	50.0	30.9	18.8	1.02	Northampton	50.0	31.5	20.4	1.07
Chester	100.0	54.9	18.3	1.01	r Northumberland	100.0	27.5	48.4	1.46
Clarion	75.0	18.6	39.3	1.15	Perry	100.0	75.0	26.4	1.07
Clearfield	25.0	18.3	49.1	1.12	x Philadelphia	32.0	28.6	40.6	1.18
Clinton	60.0	23.6	38.6	1.19	Pike	25.0	18.3	44.7	1.34
Columbia	50.0	28.8	30.9	1.08	Potter	100.0	36.8	43.5	1.21
Crawford	75.0	33.1	37.6	1.13	Schuylkill	50.0	40.4	34.1	1.16
xr Cumberland	100.0	87.8	12.1	1.00	Snyder	75.0	15.2	35.8	1.09
Dauphin	100.0	75.3	19.8	1.06	Somerset	50.0	36.9	34.9	1.19
Delaware	100.0	64.7	26.3	1.10	Sullivan	100.0	65.9	23.5	1.08
x Elk	20.0	18.3	44.2	1.27	Susquehanna	50.0	35.2	30.6	1.14
Erie	100.0	84.8	20.3	1.07	Tioga	100.0	79.9	28.9	1.08
x Fayette	100.0	87.5	30.7	1.14	Union	50.0	14.6	29.5	1.04
Forest	75.0	20.7	49.9	1.36	xr Venango	100.0	95.7	17.9	1.05
Franklin	100.0	10.7	29.7	1.03	Warren	50.0	34.1	30.0	1.16
Fulton	100.0	38.3	28.5	1.17	Washington	25.0	13.7	38.6	1.15
Greene	100.0	82.6	53.8	1.08	r Wayne	100.0	81.3	29.2	1.14
Huntingdon	40.0	13.4	51.3	1.18	Westmoreland	100.0	19.6	37.8	1.16
Indiana	75.0	* 11.9	38.3	1.11	Wyoming	50.0	21.8	29.8	1.08
r Jefferson	100.0	54.0	47.2	1.29	York	100.0	72.2	20.6	1.06
Juniata	100.0	16.1	42.9	1.15	Mean COD				

x CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

r County Reassessed in 2005.

^ No traditional predetermined ratio.

* REVISED 8/23/06

These statistics show that in 2005, 37 of Pennsylvania's 67 counties had CODs of 30 or more; 26 of these 37 counties had CODs of 35 or more; 18 of these 37 counties had CODs of 40 or more; and eight of these 37 counties had CODs of 45 or more.

These statistics also show that for 2005 only nine counties had CODs of 20 or less: Centre (18.8), Chester (18.3), Cumberland (12.1), Dauphin (19.8), Lancaster (14.5), Lycoming (17.0), McKean (19.7), Montgomery (16.8), and Venango (17.9).

Using the county CODs calculated by STEB, I determined how many counties have not conducted a comprehensive countywide reassessment in at least twenty years. I concluded that a county had not conducted a comprehensive reassessment if throughout the twenty-year period there was never a substantial drop in the COD from one year to the next and if the COD throughout the twenty-year period was never at or below 20.²³

The twenty-year period runs from 1985 to 2005 because the 2006 CODs are not available.²⁴ Since CODs were available only from 1988,²⁵ I assumed that the CODs of a county in 1985, 1986, or 1987 would show that a reassessment had not occurred in any of these three years if a county's COD in 1988 was 30 or greater; the COD of a county would not have risen to 30 in 1988 if there had been a comprehensive countywide reassessment in any of the three years prior to 1988.

Using the criteria described above, at least 34 of Pennsylvania's 67 counties have not conducted a complete countywide reassessment in the twenty-year period from 1985

²³Except where a countywide reassessment occurs shortly after a prior countywide reassessment, a comprehensive countywide reassessment would have resulted in a significant reduction in the county's COD in the year of the reassessment.

²⁴Prior to July 1st of each year, STEB shall establish a common level ratio for each county for the prior year. 72 P.S. § 4656.16a. Thus, by June 30, 2007, STEB will publish the annual statistics for each county for 2006.

²⁵Statistics for 2004 and 2005 were available from the STEB website (www.steb.state.pa.us) at the trial. The record was left open to obtain more information. STEB was able to supply statistics from 1988 to 2003. T. 123-124.

through 2005: Beaver, Bedford, Blair, Bradford, Butler, Cambria, Cameron, Clarion, Clearfield, Clinton, Crawford, Elk, Forest, Franklin, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Lebanon, Luzerne, Mercer, Monroe, Montour, Northumberland, Philadelphia, Pike, Potter, Snyder, Sullivan, Union, Westmoreland, and Wyoming.²⁶

The following 22 counties in Pennsylvania have in the past twenty years conducted reassessments which produced CODs of less than 20:²⁷

1. Adams County	1990 COD-45.8		1991 COD-8
2. Allegheny County	2000 COD-29.62		2001 COD-19.05
3. Berks County	1993 COD-29	1994 COD-24	1995 COD-19
4. Bucks County	1991 COD-21		1992 COD-18
5. Centre County	1994 COD-24		1995 COD-19
6. Chester County	1997 COD-23		1998 COD-13.2
7. Cumberland County	2000 COD-24.44		2001 COD-11.30
8. Dauphin County	2001 COD-29.84		2002 COD-19.62
9. Delaware County	1999 COD-36.56		2000 COD-18.54
10. Erie County	2002 COD-29.10		2003 COD-19.66
11. Fulton County	1989 COD-46.6		1990 COD-18.1
12. Lancaster County	1996 COD-19		1997 COD-11
13. Lehigh County	1990 COD-23.4		1991 COD-15
14. Lycoming County	1997 COD-27		1998 COD-16.4
15. McKean County	1997 COD-42	1998 COD-25.5	1999 COD-9.95
16. Mifflin County	1998 COD-32.4		1999 COD-19.88
17. Montgomery County	1997 COD-19		1998 COD-13.6
18. Perry County	2000 COD-37.44		2001 COD-14.28
19. Tioga County	2001 COD-35.43		2002 COD-18.23
20. Venango County	2000 COD-50.75		2001 COD 7.63
21. Warren County	1988 COD-35.4		1989 COD 16.4
22. York County	1997 COD-20		1998 COD-12.4

It is unclear whether or not there has been a comprehensive countywide reassessment between 1985 and 2005 in the remaining eleven counties: the COD for

²⁶I have filed as part of the record a filing titled *Counties Which Have Not Conducted a Comprehensive Countywide Reassessment Between 1985 and 2005* which sets forth the basis for my findings that each of these counties has not conducted a comprehensive countywide reassessment between 1985 and 2005.

²⁷It appears that several of these counties have conducted additional reassessments to maintain a COD below 20.

Armstrong County dropped from 43 in 1996 to 31 in 1997; the COD for Carbon County dropped from 44.60 in 2000 to 29.88 in 2001; the COD for Columbia County dropped from 32 in 1991 to 24 in 1992; the COD for Fayette County dropped from 49.20 in 2002 to 28.67 in 2003; the COD for Lawrence County dropped from 42.51 in 2002 to 24.52 in 2003; the COD for Schuylkill County dropped from 44 in 1996 to 26 in 1997; the COD for Somerset County dropped from 49 in 1997 to 27.4 in 1998; the COD for Susquehanna County dropped from 35 in 1993 to 25 in 1994; and the COD for Wayne County dropped from 74.83 in 2004 to 29.2 in 2005. For Northampton County, there was no one year in which its COD dropped significantly, but its CODs gradually declined to CODs slightly below or slightly in excess of 20. Washington County conducted a reassessment in 1985. However, CODs are not available for Washington County until 1989 (COD–23.9).

I recognize that STEB has prepared the following County Information Spreadsheet for 2005 setting forth what purports to be the last reassessment date for each county:

County	Reassessment Date	County	Reassessment Date
ADAMS	1991	LEHIGH	1991
ALLEGHENY	2002	LUZERNE	1965
ARMSTRONG	1997	LYCOMING	2005
BEAVER	1982	MCKEAN	2005
BEDFORD	2001 *	MERCER	2002 *
BERKS	1994	MIFFLIN	1999
BLAIR	1958	MONROE	1989
BRADFORD	1999	MONTGOMERY	1998
BUCKS	2005*	MONTOUR	2005
BUTLER	1969	NORTHAMPTON	1995
CAMBRIA	2005*	NORTHUMBERLAND	2005
CAMERON	1986	PERRY	2001
CARBON	2001	PHILADELPHIA	On Going
CENTRE	1995	PIKE	1996 *
CHESTER	1998	POTTER	2002 *
CLARION	1998 *	SCHUYLKILL	1997
CLEARFIELD	1989	SNYDER	1997
CLINTON	1995 *	SOMERSET	1998
COLUMBIA	1992	SULLIVAN	2004
CRAWFORD	1971 *	SUSQUEHANNA	1994
CUMBERLAND	2005	TIOGA	2002
DAUPHIN	2002	UNION	2006

DELAWARE	2000	VENANGO	2005
ELK	2006*	WARREN	1989
ERIE	2003	WASHINGTON	1985 *
FAYETTE	2003	WAYNE	2005
FOREST	1974	WESTMORELAND	1972
FRANKLIN	2001 *	WYOMING	1997
FULTON	1990	YORK	2006
GREENE	2003		
HUNTINGDON	1978		
INDIANA	1998 *		
JEFFERSON	2005		
JUNIATA	2003 *		
LACKAWANNA	1973 *		
LANCASTER	2005		
LAWRENCE	2003		
LEBANON	2005 *		

In some instances, the "Reassessment Date" is the year of an actual reassessment. In other instances the "Reassessment Date" is a year in which the county only altered its PDR. Compare, for example, the 1991 "Reassessment Date" for Adams County where the COD dropped from 45.8 in 1990 to 8 in 1991, with the 2001 "Reassessment Date" for Bedford where the PDR was increased from 35 to 100 but the county's CODs have been consistently above 40 from 1988 through 2005. For the reasons discussed in the filing titled *Counties Which Have Not Conducted a Comprehensive Countywide Reassessment Between 1985 and 2005*, regardless of what "Reassessment Date" is listed on the STEB County Information Spreadsheet, there was no comprehensive countywide reassessment in any of the counties I have listed at page 26 of this Opinion as a county that has not conducted a comprehensive countywide reassessment between 1985 through 2005.

CONSTITUTIONALITY OF THE PENNSYLVANIA
ASSESSMENT LAWS PERMITTING THE USE OF
THE SAME BASE YEAR FOR AN INDEFINITE TIME

For two reasons I find that Pennsylvania's legislation, permitting assessments based on the use of the same base year indefinitely, violates the Uniformity Clause. First, this method of assessing real estate is invalid on its face because it inevitably produces arbitrary, unjust, and unreasonably discriminatory results. *Beattie v. Allegheny County, supra*, 907 A.2d at 527; *Allegheny County v. Monzo, supra*, 500 A.2d at 1104; and *Appeal of School District of City of Allentown*, 87 A.2d 480, 484 (Pa. 1952). The Uniformity Clause requires that all real property be taxed at the same rate. This requirement imposes the requirement that each property be assessed, as nearly as practicable, at the same percentage of its actual value. Legislation, which is not intended to assess each property at the same percentage of its actual value, suffers from a systemic defect and, thus, violates the Uniformity Clause. *Downingtown, supra*, 913 A.2d at 201 n.10.

Second, this legislation has, in fact, in most counties produced substantial levels of inequality in the ratio of assessed values to market values that could be significantly reduced through periodic reassessments.²⁸

In 2005, eighteen counties, including Philadelphia, had CODs in excess of 40. In 1988 (except for Beaver—32.9), 1995, 2000, and 2005, the CODs of each of these eighteen counties were never below 35:

²⁸Between 2002 (the date of the last reassessment) and 2005, the COD of Allegheny County increased from 19.76 to 22.3, and the PRD increased from 1.07 to 1.10. In 2005, the Chief Assessment Officer completed a countywide reassessment for use in 2006 that met County and IAAO standards of a COD of 15 or less and a PRD of between 0.98 and 1.03 (T. 265, 295). The Chief Assessment Officer testified that for residential property the COD was 8.9 and the PRD was 1.03 (T. 285). See, however, the 2/18/05 Preliminary Review of 2006 Reassessment at 13, performed for the County by Robert J. Gloudemans which stated that the COD for residential property for the 2005 reassessment was 12.4 and that the PRD was 1.018. Plaintiffs' Request for Admission ¶8, Ex. A at 13. Consequently, Allegheny County could significantly increase the levels of uniformity and equality by using the assessment completed in 2005.

CODS OVER 40 IN 2005Eighteen Counties

<u>COUNTY</u>	<u>2005</u>	<u>2000</u>	<u>1995</u>	<u>1988</u>
Beaver	40.5	35.18	37	32.9
Bedford	43.5	46.46	47	50
Cambria	49.0	48.33	46	42.2
Cameron	41.0	37.88	35	35.9
Clearfield	49.1	42.67	38	46.4
Elk	44.2	43.96	45	40.7
Forest	49.9	47.67	47	47.2
Greene	53.8	44.32	38	46.6
Huntingdon	51.3	38.17	39	35.4
Jefferson	47.2	39.02	40	42.1
Juniata	42.9	43.03	40	43.7
Lackawanna	50.0	47.55	46	45.9
Luzerne	40.7	42.20	39	40.8
Mercer	42.5	39.78	44	42.4
Northumberland	48.4	43.52	45	41.9
Philadelphia	40.6	35.33	35	35.4
Pike	44.7	37.12	41	52.4
Potter	43.5	45.74	45	46.1

The eighteen counties with CODs over 40 have one thing in common: They have not conducted a comprehensive countywide reassessment for more than two decades.

Eleven of the eighteen counties with CODs in excess of 40 had PRDs in 2005 in excess of 1.20: Beaver, Cambria, Cameron, Elk, Forest, Jefferson, Lackawanna, Mercer, Northumberland, Pike, and Potter. Four of the remaining seven counties had PRDs in 2005 between 1.15 and 1.20: Bedford, Huntingdon, Juniata, and Philadelphia.

In a county with a COD of 40, one out of every four owners of property (those in the most overassessed quartile) pay real estate taxes of more than \$2.33 for every \$1.00 paid by the owners of property in the most underassessed quartile.²⁹

²⁹My discussion of the tax inequities created by underassessments and overassessments assumes that as many properties are underassessed as are overassessed (i.e., in a county with a COD of 40, one out of every four owners of property is overassessed by 40% or more, and one out of every four owners of property is underassessed by 40% or more). Mr. Almy testified that this will be true in rough numbers (T.

In Philadelphia, for example, in 2005 an owner of a property having a fair market value of \$100,000 that was assessed at the common level ratio paid property taxes of \$2,364; an owner of a property having a fair market value of \$100,000 in the most overassessed quartile paid property taxes of at least \$3,310; and the owner of property having a fair market value of \$100,000 in the most underassessed quartile paid property taxes of no more than \$1,418.³⁰

Difference in Amount of Taxes Paid Because of Incorrect Assessments
\$100,000 Property

Most Overassessed Quartile
At Least \$3,310

Most Underassessed Quartile
No More Than \$1,418

Using income tax terminology, one out of every four Philadelphia property owners was in a tax bracket of at least 3.31% and one out of every four property owners was in a tax bracket that does not exceed 1.42%.³¹

In 37 of Pennsylvania's 67 counties, the 2005 COD was 30 or greater. Using the same calculations that I used for a county with a 40 COD (an owner of property assessed at the common level ratio pays taxes of 2.36% of actual fair market value) but substituting a 30 COD for a 40 COD, as to county taxes the taxpayers in the most overassessed quartile will be in a tax bracket of at least 3.07%, while the taxpayers in the most underassessed quartile will be in a tax bracket that does not exceed 1.65%.

129, 130) and his illustration at page 32 of this Opinion is based on the assumption of equal numbers of over and undervaluations.

³⁰In 2005, the total millage for Philadelphia School and City taxes was 82.64 (http://www.phila.gov/reports/pdfs/QCMR_June_30_2005.pdf at 14) and the common level ratio was 28.6 (STEB County Assessment Statistics for 2005).

³¹Furthermore, the high PRD of 1.18 means that this is an assessment scheme in which the owners of less expensive properties are more likely to be overassessed and the owners of more expensive properties are more likely to be underassessed.

The IAAO standard is a COD not to exceed 15. Using the same calculations that I used for a county with a 40 COD but substituting a 15 COD for a 40 COD, the taxpayers in the most underassessed quartile will be in a tax bracket that does not exceed 2.01%, while the taxpayers in the most overassessed quartile will be in a tax bracket of at least 2.71.³²

EFFECTIVE TAX RATE

	<u>Most Overassessed Quartile</u>	<u>Most Underassessed Quartile</u>
0	2.36	2.36
15 COD	2.71	2.01
30 COD	3.07	1.65
40 COD	3.31	1.42

The Almy Report (Plaintiffs' Ex. 6 at 11) contains a similar table (Table 3) showing the effects of valuation differences in the amount of taxes paid.³³

Table 3: Illustration of the Effects of Equal Over- and Under-valuations on Property Taxes

Percent over- or under-valuation	Assessed value	Property tax	Effective tax rate	Percent difference in taxes
0	100,000	3,500	3.50	--
+10	110,000	3,850	3.85	22
-10	90,000	3,150	3.15	
+15	115,000	4,025	4.03	35
-15	85,000	2,975	2.98	
+20	120,000	4,200	4.20	50
-20	80,000	2,800	2.80	
+30	130,000	4,550	4.55	86
-30	70,000	2,450	2.45	

³²The discrepancy is greater because many of the property owners in the most overassessed quartile will be overassessed by more than 40%, and many of the property owners in the most underassessed quartile will be underassessed by more than 40%.

³³ Mr. Almy discusses this Table at T.128-132.

The uniformity inequities created by the Pennsylvania assessment legislation permitting the use of the same base year indefinitely are inevitable because market values of properties in a county change at different percentages.³⁴ The large number of counties with CODs in excess of 30 in 2005 and the absence of any counties with CODs of less than 20 in 2005, except for those counties that have conducted a reassessment, support this finding that the General Assembly's failure to require periodic reassessments inevitably produces significant uniformity discrepancies.

In this litigation, Allegheny County has never contended that the use of 2002 values for 2006 provides greater uniformity than the use of the 2005 values for 2006. To the contrary, the County's data shows that there have been very different rates of appreciation and depreciation in the values of properties within the County from 2002 to 2005. In February 2005, the County Office of the Chief Executive issued the following breakdown of changes in residential assessed value which would result from the replacement of the 2002 reassessment with the 2005 reassessment for the 2006 tax year:

³⁴ Joseph C. Bright, 27 Summ. Pa. Jur. 2d Taxation § 15:1, states that the 1977 Census of Governments ranked Pennsylvania 49 among the 50 states in terms of assessment uniformity as evidenced by the coefficient of dispersion computed for single-family units.

Municipality	Residential value	Total 2006 Percent Change
Aleppo	85,723,100	+12.24
Aspinwall	179,825,300	+19.58
Avalon	146,218,400	+18.33
Baldwin Borough	758,924,700	+16.86
Baldwin Township	94,714,800	+19.30
Bell Acres	159,481,500	+26.76
Bellevue	233,303,500	+15.70
Ben Avon	110,603,090	+15.50
Ben Avon Heights	37,005,800	+19.34
Bethel Park	1,784,908,400	+17.14
Blawnox	58,267,000	+11.39
Brackenridge	77,433,700	+ 7.23
Braddock	18,981,200	-16.09
Braddock Hills	43,999,100	+ 2.84
Bradford Woods	110,710,900	+20.14
Brentwood	320,590,100	+14.73
Bridgeville	193,744,950	+16.18
Carnegie	265,038,740	+14.15
Castle Shannon	287,802,600	+17.13
Chalfant	25,651,100	+13.36
Cheswick	88,429,700	+10.19
Churchill	237,897,200	+15.70
Clairton	94,513,300	- 1.07
Collier	484,100,000	+20.34
Coraopolis	175,955,400	+14.69
Crafton	233,755,100	+21.96

Crescent	107,063,700	+10.61
Dormont	292,427,200	+20.30
Dravosburg	38,220,600	+ 6.68
Duquesne	62,614,000	+ 6.29
East Deer	47,408,170	+14.51
East McKeesport	60,161,300	+ 9.95
East Pittsburgh	29,204,100	+14.94
Edgewood	207,509,000	+35.87
Edgeworth	347,270,000	+41.64
Elizabeth Borough	38,061,200	+ 7.07
Elizabeth Township	531,281,100	+11.13
Emsworth	80,106,210	+ 9.05
Etna	90,863,271	+12.01
Fawn	110,317,510	+18.00
Findlay	291,386,800	+25.67
Forest Hills	335,035,100	+18.85
Forward	126,091,100	+17.10
Fox Chapel	1,166,327,500	+26.43
Franklin Park	1,102,681,200	+19.16
Frazer	55,913,500	+22.39
Glassport	99,006,600	+ 6.64
Glenfield	9,149,300	+ 6.14
Green Tree	288,785,200	+14.24
Hampton	1,246,064,020	+19.36
Hamar	151,183,400	+ 8.23
Harrison	369,657,800	+15.64
Haysville	2,815,200	+ 5.89
Heidelberg	43,375,575	+13.97
Homestead	35,742,900	- 9.26
Indiana	466,229,800	+24.53
Ingram	105,918,800	+17.41
Jefferson Hills	505,765,500	+15.56
Kennedy	424,495,100	+17.50
Kilbuck	54,125,600	+28.05
Leet	92,572,190	+13.71
Leetsdale	50,381,900	+13.46
Liberty	78,666,000	+ 9.76

Lincoln	35,389,325	+17.07
Marshall	671,591,850	+16.45
McCandless	1,897,811,500	+17.91
McDonald	11,995,800	+ 7.58
McKees Rocks	114,341,570	+13.59
McKeesport	323,185,900	+15.25
Millvale	72,093,670	+12.33
Monroeville	1,478,938,400	+20.93
Moon	1,302,694,900	+17.66
Mount Oliver	73,024,000	+ 9.61
Mt. Lebanon	2,302,603,800	+20.80
Munhall	293,575,200	+ 9.46
Neville	39,539,500	+ 6.27
North Braddock	60,076,900	- 8.99
North Fayette	629,914,000	+20.24
North Versailles	315,354,300	+ 5.89
Oakdale	59,797,860	+22.27
Oakmont	358,427,700	+25.77
O'Hara	742,982,800	+20.73
Ohio	290,590,000	+13.07
Osborne	67,052,400	+25.83
Penn Hills	1,542,990,400	+16.74
Pennsbury Village	38,610,800	+31.83
Pine	923,073,900	+17.97
Pitcairn	66,812,900	+ 8.55
Pittsburgh	9,704,264,929	+26.07
Pleasant Hills	399,804,700	+15.25
Plum	1,181,610,700	+16.70
Port Vue	97,050,700	+ 8.36
Rankin	10,188,300	+ 6.37
Reserve	142,142,800	+16.07
Richland	640,616,170	+19.03
Robinson	838,189,490	+15.92
Ross	1,759,097,208	+17.60
Rosslyn Farms	48,674,600	+18.00
Scott	726,504,700	+15.86
Sewickley	342,018,300	+30.90

Sewickley Heights	279,095,600	+34.16
Sewickley Hills	76,694,000	+39.75
Shaler	1,505,624,950	+22.16
Sharpsburg	76,310,740	+12.36
South Fayette	786,470,270	+19.03
South Park	604,483,600	+18.09
South Versailles	11,338,200	+32.38
Springdale Borough	115,790,900	+15.72
Springdale Township	68,625,790	+ 9.74
Stowe	168,992,100	+15.00
Swissvale	249,194,000	+16.34
Tarentum	92,962,350	+ 9.54
Thornburg	46,507,100	+14.81
Trafford	2,128,400	+15.82
Turtle Creek	88,102,700	+14.69
Upper St. Clair	1,680,186,600	+19.45
Verona	68,050,100	+13.35
Versailles	34,615,600	+14.33
Wall	12,436,600	+14.26
West Deer	579,392,100	+20.46
West Elizabeth	10,230,630	+ 7.05
West Homestead	71,276,200	+ 6.22
West Mifflin	704,240,300	+15.87
West View	269,897,700	+16.60
Whitaker	31,391,800	+14.43
White Oak	313,355,800	+10.53
Whitehall	655,376,500	+16.12
Wilkins	343,454,200	+14.65
Wilkinsburg	274,653,070	- 5.80
Wilmerding	34,185,400	+16.84
Total	\$54,309,151,277	+18.96

Plaintiffs' Request for Admissions ¶11, Ex. B.

The March 15, 2005 Ordinance creating six different categories of value limitations (decrease, no change, one percent, two percent, three percent, and four percent) was a response to the varying increases (or decreases) of values of properties between 2002 and 2005. While school taxes for the Woodland Hills School District continue to be based on 2002 market values, the County's data shows that the 2005 property values of the municipalities that make up the school district changed at significantly different rates between 2002 and 2005: Braddock (-16.03%); Braddock Hills (+2.84%); Chalfant (+13.26%); Churchill (+15.7%); East Pittsburgh (+14.94%); Edgewood (+35.87%); Forest Hills (18.85%); North Braddock (-8.99%); Rankin (+6.37%); Swissvale (+16.34%); Turtle Creek (+14.69%); and Wilkins (+14.65%).

Plaintiffs presented testimony of Richard Almy, who testified as an expert on property tax policy and administration, on the issue of whether periodic reassessments are necessary to maintain uniformity. I find to be credible the following unrefuted testimony of Mr. Almy: It is axiomatic in property taxation that property values change at different rates over time (T. 77); freezing values on which current taxes are based produces inequities that grow over time (T. 141); and the further away you get from a base year, the more likely that the PRD will become more regressive because values of properties in high-valued neighborhoods appreciate at higher rates than the values of properties in low-valued neighborhoods (T. 126). He has never seen a base year system that corrects inequities (T. 141-142).

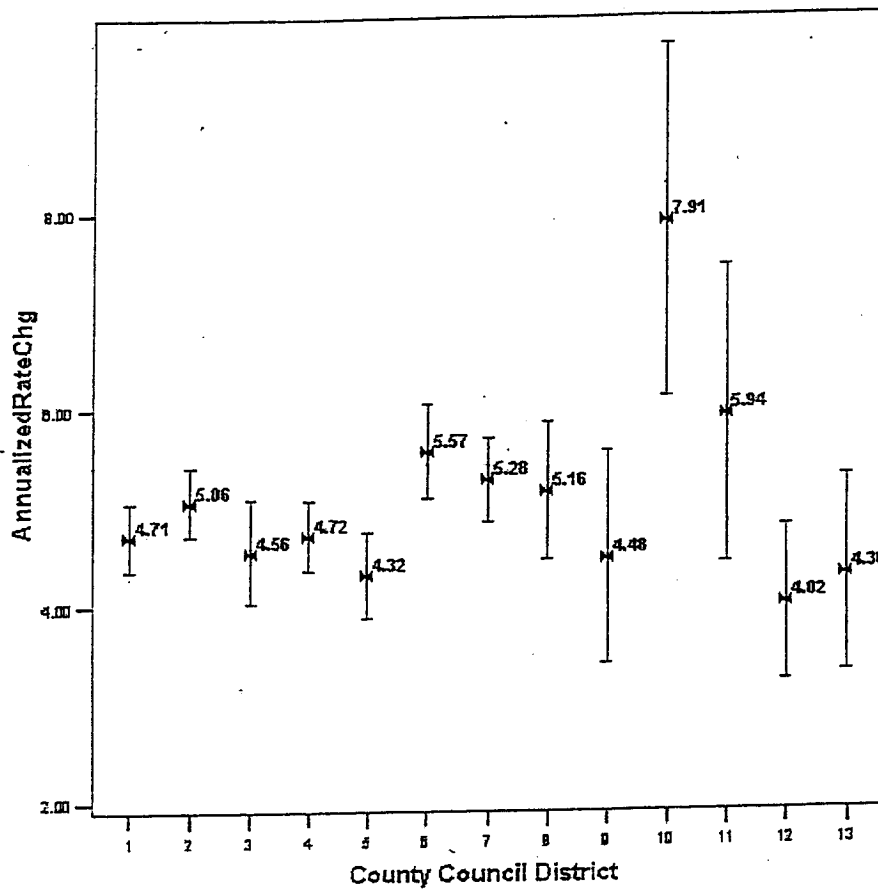
Mr. Almy's testimony is consistent with the opinions in Part 2 of the Almy Report (which I find to be credible) that indefinite base year schemes produce inherently non-uniform results in time: "It is axiomatic that real property markets are dynamic and that real property values change continuously. Equally axiomatic, property assessments should be

revised as valuations change. Studies have shown that infrequent reassessments adversely affect assessment uniformity. . . . Obviously, an indefinite base-year assessment system cannot consistently and reliably capture any changes in value that occur after the appraisal base date. Consequently, uniform taxation cannot be maintained.” Plaintiffs’ Ex. 6 at 1 (footnotes omitted).

Parts 3 and 4 of the Almy Report (at 2-10), to which Mr. Almy testified, offered empirical evidence showing that market values inevitably fluctuate and do so in a non-uniform manner among neighborhoods and communities.³⁵ The study was based on sales prices of single-family residential properties in Allegheny County that sold once in the period 1998-99 and again in the period 2002-2005 for a price of at least \$50,000. For the thirteen Council Districts, the median annualized rate of change was as follows:

³⁵Because Allegheny County imposes a real estate tax, any argument that taxes in a particular municipality or school district are uniform is of no significance.

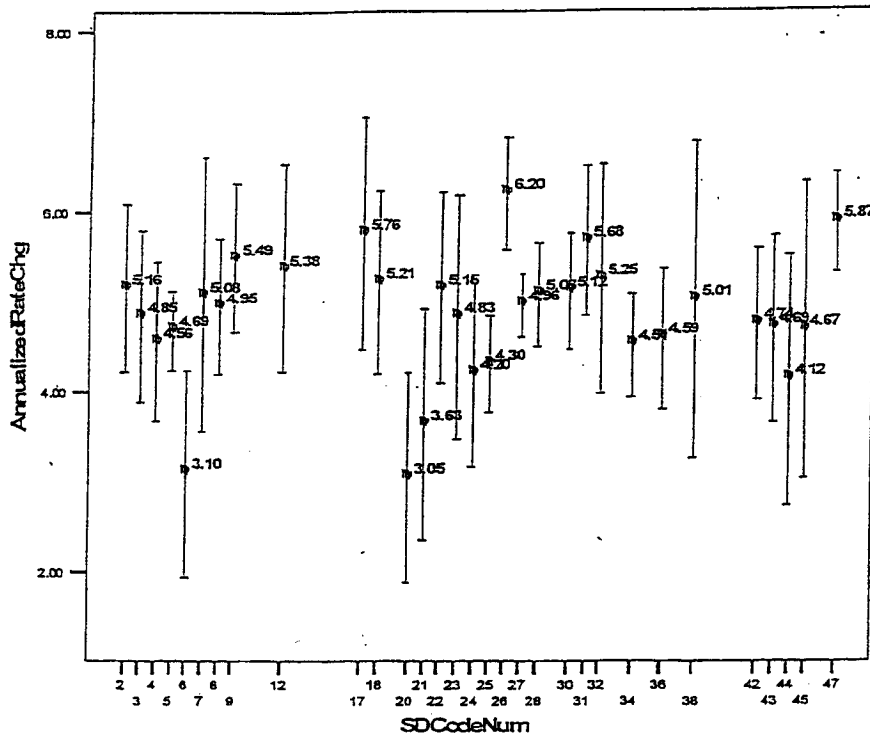
Mean Annual Percentage Change in Value By County Council District
For Single-Family Residential Property Sales, 1998-2005, With 95% Confidence Intervals



Plaintiffs' Ex. 6, Exhibit 2 at 4.

For the thirty-one school districts with sufficient sales, the median annual rate of change was as follows:

Mean Annual Percentage Change in Value By School District
For Single-Family Residential Property Sales, 1998-2005, With 95% Confidence Intervals



Plaintiffs' Ex. 6, Exhibit 4 at 6.

I also find to be credible the unrefuted testimony of Anthony C. Barna, testifying as an expert in real estate valuation and methodology, that the base year concept ignores the reality of the market and does not account for the impact of market forces on the changes in value over time (T. 20), and that if a valuation is frozen at a specific year, market forces over time render an assessment valuation obsolete (T. 29). To support his testimony, he conducted a market study looking at changes in values in single-family housing in Allegheny, Westmoreland, and Beaver Counties. He used the time period between 1996 and mid-November 2006. He found that the median price in Allegheny County increased by 2.7% per year from 1996 to 2006, that the annual increase in Beaver County was 3.6%

per year, and that the annual increase in Westmoreland County was 4.7% (T. 28-29). He further found that within this ten-year period, there were different trends between municipalities and sub-markets in Allegheny County, resulting in wide variations in the median price and that periodic assessment updates are required to reflect the trends in the market. Plaintiffs' Ex. 5, Anthony C. Barna, "Market Trends Study," (Barna Report) at 19.

Mr. Barna found that in approximately twenty-five of the municipalities within Allegheny County, there was a steady rate of increase but that annual rates of change differed from municipality to municipality:

Rates of Change	1996 Median	2006 Median	Annual Change
Allegheny County	\$ 72,500	\$ 95,000	2.7%
Straight			
Penn Hills	62,000	77,900	2.3%
Kennedy	110,000	140,000	2.4%
McCandless	142,500	184,780	2.6%
North Versailles	53,000	69,000	2.7%
Robinson	115,500	151,000	2.7%
Shaler	98,750	130,500	2.8%
Ross	101,500	134,300	2.8%
West View	71,500	95,900	3.0%
Baldwin Borough	76,500	103,500	3.1%
Wilkins	66,500	91,000	3.2%
Bethel Park	101,500	139,475	3.2%
Upper St. Clair	161,500	222,500	3.3%
Franklin Park	198,750	276,250	3.3%
Castle Shannon	69,500	97,750	3.5%
Monroeville	83,700	118,000	3.5%
Plum	93,250	133,000	3.6%
Oakmont	95,500	137,750	3.7%
Moon & Crescent Township	110,000	160,000	3.8%
Hampton	119,761	178,000	4.0%
Greentree	89,900	134,500	4.1%
Pine	250,750	379,000	4.2%
Mount Lebanon	123,000	188,000	4.3%
Pennsbury	52,500	88,000	5.3%
North Fayette	85,900	148,500	5.6%
Average			3.5%

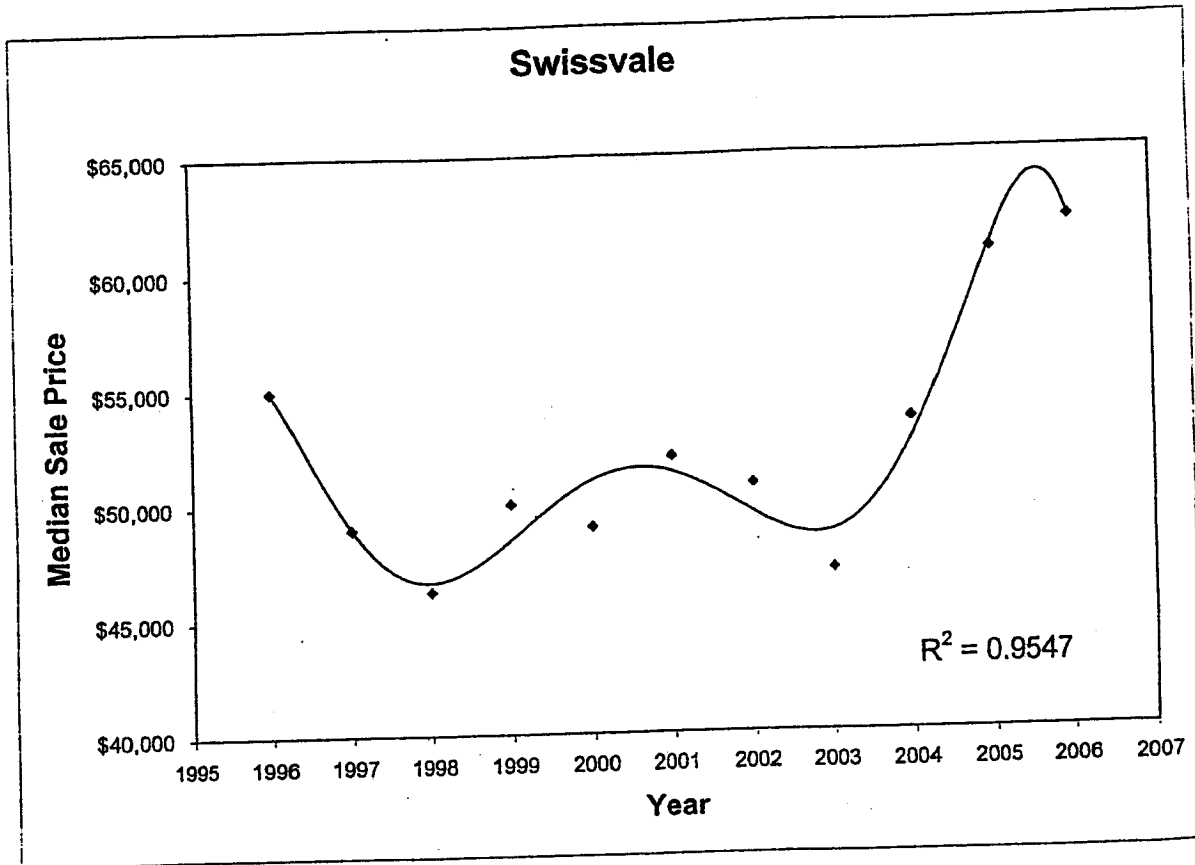
T. 30-32. Plaintiffs' Ex. 5 at 8.

For the following municipalities, he found that the assessment changes were not uniform from year-to-year:

	1996 Median	2006 Median	Annual Change
Allegheny County			
Curved			
Swissvale	55,000	62,000	1.2%
Coraopolis	61,950	72,501	1.6%
Marshall	235,000	294,000	2.3%
Ben Avon Heights	159,950	204,000	2.5%
Verona	53,750	69,000	2.5%
Elizabeth Boro & Twp	69,900	89,900	2.5%
West Mifflin	58,000	75,000	2.6%
Bellevue	65,225	84,750	2.7%
South Park	91,750	119,900	2.7%
Avalon	59,900	79,000	2.8%
Baldwin Township	78,000	104,000	2.9%
Churchill	118,000	158,900	3.0%
Scott	89,500	121,000	3.1%
Dormont	67,750	91,728	3.1%
Crafton	74,000	101,000	3.2%
Turtle Creek	39,500	54,000	3.2%
Bridgeville	72,000	101,000	3.4%
Braddock Hills	59,750	84,500	3.5%
Port Vue	40,500	57,450	3.6%
Fox Chapel	336,250	477,500	3.6%
Liberty	49,100	70,500	3.7%
Ingram	62,500	89,900	3.7%
South Fayette	102,000	149,950	3.9%
Forest Hills	74,750	111,300	4.1%
White Oak	71,900	107,500	4.1%
Edgewood	86,000	149,000	5.7%
Heidelberg	54,000	95,350	5.9%
Versailles	32,500	59,500	6.2%
Aspinwall	96,000	184,000	6.7%
Average			3.4%

T. 33. Plaintiffs' Ex. 5 at 9.

Swissvale is one of the more extreme illustrations:



Plaintiffs' Ex. 5, Section "Allegheny" at 38.

He also found that in three municipalities the median value decreased:

Wilkinsburg	32,500	24,000	-3.0%
Braddock	17,000	6,900	-8.6%
Whitaker	39,000	30,750	-2.3%

Plaintiffs' Ex. 5 at 9.

He found the same disparities in the City of Pittsburgh:

	1996 Median	2006 Median	Annual Change
City of Pittsburgh	\$ 43,000	\$ 64,000	4.1%

Straight

Brookline	62,000	74,900	1.9%
Squirrel Hill	119,845	219,500	6.2%
Greenfield	47,600	94,000	7.0%
Point Breeze	122,500	250,000	7.4%
South Side	47,000	124,975	10.3%

Curved

Beechview	45,000	57,250	2.4%
Shadyside	128,705	200,000	4.5%
Lawrenceville	35,250	55,000	4.6%
Highland Park	75,000	145,000	6.8%

Down

Beltzhoover	27,000	6,000	-14.0%
Hazelwood	26,000	10,000	-9.1%
Homewood Brushton	18,375	7,500	-8.6%
Knoxville	29,950	13,900	-7.4%

Plaintiffs' Ex. 5, Section "Pittsburgh" at 1.

He compared the 2006 median value with the 1996 median value for ten sets of municipalities (or city neighborhoods) that had similar 1996 median values:

Community	1996 Median	2006 Median	Annual Change
Versailles	\$ 32,500	\$ 59,500	6.2%
Wilkinsburg	\$ 32,500	\$ 24,000	-3.0%
Verona	\$ 53,750	\$ 69,000	2.5%
Heidelberg	\$ 54,000	\$ 95,350	5.9%
Forest Hills	\$ 74,750	\$ 111,300	4.1%
Highland Park	\$ 75,000	\$ 145,000	6.8%
Monroeville	\$ 83,700	\$ 118,000	3.5%
North Fayette	\$ 85,900	\$ 148,500	5.6%
Oakmont	\$ 95,500	\$ 137,750	3.7%
Aspinwall	\$ 96,000	\$ 184,000	6.7%
Churchill	\$ 118,000	\$ 158,900	3.0%
Squirrel Hill	\$ 119,845	\$ 219,500	6.2%
Point Breeze	\$ 122,500	\$ 250,000	7.4%
Mount Lebanon	\$ 123,000	\$ 188,000	4.3%
Beechview	\$ 45,000	\$ 57,250	2.4%
South Side	\$ 47,000	\$ 124,975	10.3%
Liberty Borough	\$ 49,100	\$ 70,500	3.7%
Greenfield	\$ 47,600	\$ 94,000	7.0%
North Versailles	\$ 53,000	\$ 69,000	2.7%
Pennsbury	\$ 52,500	\$ 88,000	5.3%

Plaintiffs' Ex. 5 at 13.

If 1996 were the base year for Allegheny County, in 2006 the County real estate taxes would continue to be based on 1996 values. Thus, in 2006 the Wilkinsburg property owner and the Versailles property owner would each be paying the same amount of County taxes even though the value of the Versailles property may now be approximately 2½ times greater than the value of the Wilkinsburg property.

As I previously discussed at page 4 and at footnote 28 of this Opinion, in 2005 the Chief Assessment Officer conducted a County reassessment that, while never being formally certified, met IAAO uniformity standards. The Office of the Chief Executive issued a breakdown by municipality of changes in residential assessed value which would result from the replacement of the 2002 reassessment with the 2005 reassessment. This breakdown by municipality shows that in a relatively short time (three to four years), changes in residential values from municipality to municipality varied significantly. Plaintiffs' Request for Admissions ¶11, Ex. B.

In its brief filed on January 22, 2007 at 3, Allegheny County correctly states that the surrounding counties with whom the County competes do not conduct countywide reassessments:

BEAVER

Last reassessment—1982; 2005 COD 40.5; 2005 PRD—1.27.

BUTLER

Last reassessment—1969; 2005 COD 31.8; 2005 PRD—1.10.

WASHINGTON

Last reassessment—1985; 2005 COD—38.6; 2005 PRD—1.15

WESTMORELAND

Last reassessment—1972; 2005 COD—37.8; 2005 PRD—1.16.

In its brief, the County states that the decision to continue to use 2002 as a base year was influenced by the difficulty of competing with counties that do not reassess. However, if plaintiffs are successful in this litigation in obtaining a ruling from this court, that is affirmed by the Pennsylvania Supreme Court, requiring periodic reassessments, all counties will be using the same assessment system.

For several reasons, there is no validity to the argument that a base year system does not violate the Uniformity Clause because of the provisions in the assessment legislation permitting a property owner to appeal a base year valuation by applying the common level ratio to the property's current market value. See *Daugherty v. County of Allegheny*, 920 A.2d 936 (Pa. Cmwlth. 2007). Legislation does not satisfy the Uniformity Clause by placing the burden on the taxpayer to equalize ratios. See *Hillsborough Township v. Cromwell*, 326 U.S. 620, 623-24, 66 S.Ct. 445, 448 (1946). Also, the appeal process does not equalize assessments because it does not increase the values of the properties that are underassessed.³⁶ Finally, if this appeal process were a viable method of equalizing assessments, there would not be eighteen counties in Pennsylvania with CODs of 40 or more and another nineteen counties with CODs between 30 and 40.³⁷

³⁶See *Beattie v. Allegheny County*, *supra*, 907 A.2d at 527 (footnote omitted), where the Court stated that "while an appeal before the Board may be capable of lowering the assessment on any individual appellant's property, it does not appear that any systemic under-assessment of higher-value properties can be cured through a series of administrative appeals taken by members of the asserted class of lower-value property owners. Therefore, even if all low-value property owners have their valuations reduced to more accurate figures, the alleged discriminatory effect, though lessened, would remain."

³⁷Another argument which defendants may have raised is that a base year method of assessment treats all property owners uniformly because a taxpayer may always challenge the base year valuation. The obvious response is that the Uniformity Clause requires each taxpayer to pay his or her share of the costs of the governmental services furnished in the year in which the tax is imposed. The only purpose of the 2002 tax was to pay for the 2002 costs of government. For the same reasons that a taxing body cannot impose a personal property tax for multiple years, including 2006, based on the value of publicly-traded securities as of January 2, 2002, or impose an income tax for multiple years, including 2006, based on the taxpayer's 2002 income, a taxing body may not design a system that permanently bases annual property taxes on the actual value of the property in 2002. See, *e.g.*, page 16 of this Opinion quoting the requirement described in *Downingtown Area School District* that taxpayers should not pay any more or less than their proportionate share of government.

A related argument of the County is that the County's assessments are more uniform than the assessments of most other counties. While this is so, this does not address the constitutional issue of whether the County may assess property pursuant to state laws (1) that are not intended to assess all properties at the same percent of assessed value to actual fair market value, (2) that inevitably create significant disparities in the ratio of assessed value to fair market value, and (3) that inevitably discriminate against the owners of lower-priced properties.

A base year assessment is not a method of determining the fair market value of a property for the year in which the real estate tax is imposed. It is, instead, a period of time in which a county, which previously conducted a reassessment, is excused from conducting another reassessment.

Legislation which couples the use of a base year with a requirement to periodically conduct comprehensive countywide reassessments may survive a constitutional challenge because the overall goal of the legislation is to achieve uniformity. However, legislation which allows the use of a base year without requiring any reassessment does not have an overall goal of achieving uniformity. To the contrary, it is an invitation to use an assessment scheme that gives no weight to the requirements of the Uniformity Clause.

As I will discuss in the remedy section of this Opinion, legislation which does not require annual reassessments does not necessarily offend the Uniformity Clause if its overall purpose is to achieve uniformity. The County, through its argument that most other counties have higher CODs, appears to be suggesting that the Pennsylvania courts can turn the Pennsylvania assessment laws allowing the use of the same base year indefinitely into laws that have an overall direction of achieving uniformity by deciding when reassessments should be required. This argument lacks merit because it is the role of the

Legislature to decide whether to create an alternative to annual assessments that combines the use of a base year with reassessment requirements, and it is the role of the court to consider any constitutional challenge to such legislation.

In its brief, Allegheny County states that while defendants do not dispute that the real estate market has changed in Allegheny County since 2002, the actual deviation between base year values and current values is not so great as to require a countywide reassessment. Defendants' Brief at 4. Through this argument, Allegheny County would have this court, and the appellate courts, decide its claim that relief should not be granted at this time because its inherently flawed method of assessing property has not yet produced disparities that are too discriminatory. If a court is willing to decide this claim and if it rules in Allegheny County's favor, two years from now it will perhaps be deciding whether an assessment system producing a COD of 29 and a PRD of 1.12 is too discriminatory. In other counties, courts will be asked whether assessments with CODs of 30, 37, or 41 have crossed an impermissible line.

These are not lines that courts are equipped to draw and they are not lines a court should be drawing. It is the role of the court to bar the use of any method of assessment that is not designed to produce uniform assessments and that by its nature creates disproportionality. See case law cited at pages 16, 17, and 29 of this Opinion holding that the constitutional requirement as to uniformity is violated whenever a method of computing a tax will in its operation or effect produce unreasonably discriminatory results.

If the General Assembly permitted a method for calculating income for purposes of paying the annual state income tax that resulted in 25% of the taxpayers paying at an effective rate of taxation that is more than twice the effective rate of taxation of another 25% of the taxpayers, this legislation would have no chance of surviving a challenge based

on the Uniformity Clause. The Constitution intends for real estate taxes to be judged by the same standards. All real estate is a class entitled to uniform treatment and the method of assessing real estate must produce a ratio of assessed value to market value that applies equally and uniformly to all real estate. *McKnight Shopping Center, Inc. v. Board of Property Assessment, Appeals and Review*, 209 A.2d 389 (Pa. 1965).

Courts recognize that the Uniformity Clause does not require perfect assessments because these will never be attained. Courts also recognize that feasibility is a factor to be considered in imposing requirements based on the Uniformity Clause. However, this does not permit the Legislature to authorize counties to use an assessment system that does not produce—and is not intended to produce—a ratio of assessed value to market value that applies equally and uniformly to all real estate.

In 1998, the Supreme Court of Washington, *en banc*, in *Belas v. Kiga*, 959 P.2d 1037, 1051-52 (Wash. 1998), struck down a value-averaging system of real property assessment. This system was designed to prevent large increases in real property assessments by limiting increases in assessments to 15% or 25% of the increase of the market value, whichever was greater. The Court ruled that this system improperly put a disproportionate burden on some property owners as compared to others:

Conclusion

The effect of value averaging is that owners of property with rapidly increasing value need not pay taxes at the same assessment ratio as owners with less rapidly appreciating property. Owners of less rapidly appreciating property would have to pay taxes on 100 percent of the fair market value of their property, while the owners of rapidly appreciating property would pay taxes on a lesser percentage of their property's value. Since in any given tax year the total tax burden stays the same, taxes are effectively shifted to owners of property with less rapidly increasing or with depreciating values. This violates the uniformity requirement of Const. art. VII, § 1 (amend.14). The ratio assessment must be uniform within any class of property. If the basis of valuation is the fair market value of the property, then that basis must be applied to all other property

in the same class; if the basis is a certain percent of the fair market value, the same percentage must be applied to all other property in the class. The value averaging formula intentionally applies different assessment ratios to different parcels of real property. Since proportionate taxation cannot exist without uniformity of assessment, the value averaging scheme violates the constitutional uniformity requirement.

Laws permitting the use of a base year that is not coupled with a reassessment requirement operate in the same fashion as laws allowing value averaging. Taxes are effectively shifted to owners with less rapidly increasing or depreciating values.

ASSESSMENT LEGISLATION OF OTHER STATES

In deciding whether Pennsylvania's legislation permitting the indefinite use of the same base year violates the Uniformity Clause of Pennsylvania's Constitution, I reviewed the real property assessment legislation of the other states. If my review had shown that Pennsylvania is one of many states not requiring periodic reassessments, I would need to consider whether a ruling that the Uniformity Clause does not permit the indefinite use of the same base year imposes requirements that are not feasible. If, on the other hand, the assessments laws of the other states require periodic reassessments, I would need to consider these laws in fashioning a remedy.³⁸

With the exception of Delaware, the assessment laws and regulations of every state other than Pennsylvania impose requirements that assessments be based on current or

³⁸My law clerks and I are not aware of any publication that describes the reassessment requirements of each state. This meant that my law clerks and I were required to review the assessment laws and regulations of each state, many of which were lengthy and confusing.

The ABA Section of Taxation Committee on State and Local Taxes, *The Property Tax Deskbook* (11th ed. 2006) has a separate chapter for each state and lists the names and e-mail addresses of the local attorneys for each state who updated the 2006 edition of the *Deskbook*. While in most instances the *Deskbook* did not include the information concerning the assessment program of a state that appears in this Opinion, we assumed that these attorneys would be in a position to review a summary for their state legislation prepared by my two law clerks and myself. We received confirming responses for twenty-eight states. We have filed with the Prothonotary the responses we received in a filing referred to as *Supplement to Court Opinion—Responses to Summaries of Laws and Regulations of Other States*.

relatively current actual values. Most laws also require complete reassessments within a specified number of years. In addition, the legislature of almost every other state has created a state agency with oversight responsibility for the assessment practices of the counties or other taxing bodies.

COMPARISON OF PENNSYLVANIA'S ASSESSMENT LAWS WITH THE LAWS AND REGULATIONS OF OTHER STATES

1. OVERSIGHT

In Pennsylvania, there is no state agency that assumes any supervisory responsibility over the assessment programs of the different counties or even that provides assistance to the county assessment offices.

Pennsylvania does require the certification and renewal of certification of assessors and any person employed by a revaluation company who is directly responsible for the valuation of real property. 63 P.S. § 458.4. However, no state agency offers training and education; there are no standards for companies that seek to contract with counties to perform assessments; there is no state agency that must approve a plan for a countywide reassessment a county has initiated; no agency provides manuals to the county assessment offices describing required procedures or methods of assessing properties; there are no standard forms, schedules, books or records that the counties must use; there are no standards for computer software or hardware; the state does not offer any programs under which different counties may share the same computer services; and there are no statewide uniformity or equality standards that assessments must meet. Essentially each of the sixty-seven counties is on its own.³⁹

³⁹County assessors are assisted by the Assessors' Association of Pennsylvania, a nonprofit membership organization, funded by memberships and fees charged for classes, seminars, and

Only Delaware operates such a decentralized program. Delaware, however, is composed of three, and not sixty-seven, counties.⁴⁰

2. REASSESSMENT REQUIREMENTS

No state other than Pennsylvania has state assessment legislation that explicitly authorizes the use of a base year indefinitely. Delaware is the only other state that has a similar assessment scheme. While the Delaware Constitution provides that all taxes shall be uniform upon the same class of subjects, state legislation does not establish any guidelines or standards governing assessments. Each of Delaware's three counties has control over the assessment procedures within the county and each county has adopted a base year system that does not provide for periodic reassessments.

The assessment laws and regulations of the following twenty-two states provide for annual assessments: Alabama; Alaska; California; Florida; Georgia; Hawaii's four counties; Idaho; Indiana; Kentucky; Massachusetts; Michigan; Mississippi; Nebraska; New Jersey; New Mexico; New York; North Dakota; Oklahoma; Oregon; South Dakota; Utah; and Wyoming. The assessment laws of several of these states also require periodic field reviews: Alabama (inspections of 25% of property in the county each year); Alaska (onsite inspections every four years); Florida (physical inspections every five years); Idaho (field

conferences. My senior law clerk spoke with Douglas Hill, Executive Director of the Assessors' Association of Pennsylvania. Mr. Hill said that while there is no requirement that counties participate in his organization, he believes that every county has a representative member. He said that because of the statutory certification and recertification requirements, his association as well as other providers, offer training and education with curriculums certified by the State Board of Certified Real Estate Appraisers that use manuals based on IAAO standards, and that computer software normally contains built-in forms and schedules based on IAAO standards.

⁴⁰There is no centralized agency in Hawaii because a 1978 amendment to the Hawaii Constitution provides that the state will have no control over the process by which Hawaii's four counties assess and tax real estate. Since the District of Columbia is a single taxing body, obviously, there is no other entity supervising its assessments.

inspections based on a five-year cycle); Indiana effective in 2011(physical inspections every five years); Kentucky (physical inspections every four years); Mississippi (physical inspections every four years); Oklahoma (visual inspections every four years); South Dakota (annual assessments must produce a median sales to assessment ratio of between 85% and 100% and a COD of less than 25%); Utah (physical inspections every five years); and Wyoming (inspections every four years).

The assessment laws of the following twenty-six states provide for reassessments at intervals of more than one year:⁴¹

Arizona law provides that a county may use the same valuation for up to three years if the county assessor files a specific plan for the valuations with the Department of Revenue and if the plan is implemented uniformly throughout the county. Arkansas law provides that property shall be reappraised at least once every five years, but a county must reassess every three years if the new market value real estate assessment is greater than fifteen percent from the market value real estate assessment in the year preceding the reappraisal cycle. Colorado law provides for reassessments every other year. Connecticut law provides that real estate must be revalued every five years with a physical inspection to occur at least every ten years, and that the real estate values established in the revaluation years remain in effect during the interim years. In Illinois, Cook County is subject to a general assessment every three years, and the remaining counties are subject to a general assessment every four years. In Iowa, property is reassessed every other year. In Kansas, the assessment is conducted every six years; a county is in compliance by viewing 17% of the parcels every year. Louisiana law provides for property to be reassessed at least every four years. Maine provides for a physical inspection every four

⁴¹For some states, the legislation explicitly directs the taxing body to use the same assessment until the next mandated reassessment. For other states, the legislation does not describe what shall occur until the next mandated assessment.

years. Maryland provides for reassessments every three years through a physical inspection of the property and for increases to be phased in over three years. Minnesota law requires reassessments at maximum intervals of every five years; it requires reassessment of at least one-fifth of the property each year. Missouri provides for reassessments every other year with the assessed values to remain the same for the following year. Montana law provides for reassessments every six years with the resulting valuation changes to be phased in until the next reappraisal. Nevada law requires reappraisals at least every five years. New Hampshire law requires reappraisals at least every fifth year. North Carolina law provides for reappraisals at least every eighth year and a revision of the values by horizontal adjustments in the fourth year following the reappraisal. Ohio law provides for all property to be viewed and appraised every six years and for property values to be updated in the third year following the reassessment. Rhode Island requires a revaluation every nine years and an update every three years. South Carolina law requires a reassessment at least once every five years. Tennessee law permits a county to adopt a continuous six-year cycle with updating in the third year or to adopt a four or five-year cycle with no updating. Texas law provides for three-year updates. Vermont law provides for reassessments where the CLR is below 80% or the COD is greater than 20. Virginia requires reassessments every four years but taxing bodies with populations of 50,000 or less may conduct reassessments at five or six-year intervals. Washington does not require annual adjustments if a county conducts a physical inspection at least every four years. West Virginia law requires property to be viewed in repeating three-year cycles. Wisconsin law requires a reassessment at least once every five years.

Prior to 1978, every state, except for Alaska, Hawaii, and New York, contained a Uniformity Clause that resembled Pennsylvania's Uniformity Clause.⁴² As I will later discuss, in 1978, through a voter referendum, the Uniformity Clause of the California Constitution was amended to permit inequalities that would otherwise have been barred by California's Uniformity Clause. Subsequently, seven additional states, usually through a voter referendum, amended their constitutions to create exceptions to the uniformity requirements mandated by the state's existing Uniformity Clause.

In Part A below, I will describe the oversight and reassessment provisions of the assessment laws of the states that have not amended their constitutions. In Part B, I will describe the assessment laws of the states that have enacted a constitutional provision modifying the requirements of the Uniformity Clause. In Part C, I will describe the assessment laws of the three states without Uniformity Clauses.⁴³

The laws described in Parts B and C may not be laws that a state with an unamended Uniformity Clause may enact. The apparent need for a constitutional amendment supports plaintiffs' position that in the absence of a constitutional amendment, the Uniformity Clause bars Pennsylvania from operating an assessment system that is not based on present fair market value.

⁴²Some clauses explicitly stated that all real property is a single-class. Some clauses explicitly permitted (or mandated) the creation of different classes of real property (e.g., single-family housing to be assessed at 10% of actual value, commercial property to be assessed at 25% of actual value, and utilities to be assessed at 40% of actual value). The Uniformity Clauses of some states, including Pennsylvania, did not address the question of whether the legislature could create different classes of real estate.

⁴³Parts A, B, and C describe the assessment laws of the states as they are written. I do not know whether the oversight agencies and local assessors fully comply with the law. In some states, compliance is driven by restrictions imposed by state law on municipal and school district expenditures based on the total assessed values.

ASSESSMENT PRACTICES BY STATE

*- indicates confirmation received from ABA attorney
(See footnote 38 of this Opinion.)

A. STATES WITH UNIFORMITY REQUIREMENTS THAT HAVE NOT BEEN AMENDED

ALABAMA*

The Department of Revenue exercises general and complete supervision and control of the valuation, equalization and assessment of property. Ala. Code § 40-2-11.

Through orders issued by the Commissioner of Revenue to county officials, appraisals must be equalized annually to reflect market value. An appraisal program, under the guidance and supervision of the Department of Revenue and using the Alabama Appraisal Manual, must be performed under which a field review of at least 25% of the parcels of land in the county must be conducted each year. http://uasa.ua.edu/Files/finance_modules/MODULE07STATEADVALOREMTAX.pdf at 13-14.

COLORADO

The Administrator of the Division of Property Taxation exercises general supervision over the county assessors, including the preparation of manuals, appraisal procedures, and instructions concerning methods of appraising and valuing land which are binding on county assessors, and schedules, forms, maps, appraisal cards and other records to be used in the office of each assessor. Colo. Rev. Stat. § 39-2-109. Each property tax year, a contract is entered into with a private person for a valuation for assessment study to determine whether all manuals, formulas and other required directives were used to arrive at the valuations for assessment of each and every property in a statistically valid manner.

This study is submitted to the State Board of Equalization. Colo. Rev. Stat. § 39-1-104(16)(a).

The property in each county is reassessed every two years. Colo. Rev. Stat. § 39-1-104(10.2a).

CONNECTICUT*

A state agency exercises general supervision over the assessment programs of the local taxing bodies authorized to assess property, including training, examining and certifying assessment personnel, imposing or waiving penalties for failure to implement a revaluation and adopting regulations for use by assessors when conducting a revaluation. Conn. Gen. Stat. §§ 12-40a, 12-62(d), 12-62(g).

Real estate must be revalued at least every five years with a physical inspection to occur at least every ten years. Conn. Gen. Stat. § 12-62(b)(1) and (b)(3). The real estate values established in the revaluation years remain in effect during the interim years. Conn. Gen. Stat. § 12-62(b)(1). The legislative body of a town implementing a revaluation may phase in the increase in assessed values over a five-year period. Conn. Gen. Stat. § 12-62c(a)(1).

DELAWARE

State legislation does not provide any guidelines or standards governing assessments or reassessments. Each of Delaware's three counties has control over the assessment procedures within the county. Kent County - 9 Del. Code § 8301; New Castle County - 9 Del. Code §§ 1301(15), 1322; and Sussex County - 9 Del. Code § 7004(j). Each of the counties has adopted a base year system that does not provide for periodic reassessments. <http://www.dsea.org/leghall/BILLS/assess.html>.

GEORGIA*

The stated legislative intent is to create a comprehensive system for the equalization of taxes on real property within the state by establishing uniform statewide forms, records and procedures. Ga. Code § 48-5-260. The Georgia Department of Revenue exercises general supervision over the county assessment programs, including the administration of courses of instruction for new and experienced appraisers. Ga. Code § 48-5-268. The Department may promulgate rules and regulations prescribing the form and content of statewide uniform appraisal and assessment forms, books and records, and develop required procedures under which property sales ratio surveys shall be conducted. Ga. Code Ann. § 48-5-269(a).

Property is reassessed annually. Ga. Code § 48-5-302. Every third year (referred to as a digest year), the Commissioner of the Department must approve the digests of the counties as having values that are reasonably uniform and equalized between and within counties. Ga. Code § 48-5-342. A digest will be approved if the average assessment ratio for each class is as close as reasonably practicable to a percentage of fair market value as designated for each class (see Ga. Stat. § 48-5-7), the average assessment variance for each class is not excessive to that which is reasonably practicable and assessment ratios of the properties in each class do not reveal any significant assessment bias. The commissioner by regulation shall establish statistical standards to be used in making these determinations. Ga. Code § 48-5-343(a) and (b).

Under the regulations established by the Commissioner, the standard of uniformity will be presumed to have been met if the coefficient of dispersion does not exceed 15% for residential homogeneous groups or 20% for nonresidential homogeneous groups, and lack

of assessment bias will be presumed to have been met if the price related differential is in the range of .95 to 1.10. Ga. Comp. R. & Regs. § 560-11-2-56.

IDAHO*

State law provides for a state Tax Commission to exercise general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including the adoption of rules prescribing the manner in which market value for assessment purposes is to be determined. Idaho Code §§ 63-105, 63-105A, 63-316.

All taxable property shall be appraised through a field inspection based upon a five-year cycle, unless the Commission finds that extraordinary circumstances exist and grants an extension. Property not appraised through a field inspection shall be indexed annually to reflect current market value, using market value sales. Idaho Code § 63-314.

The Commissioner shall order a county to make changes when it determines that a county assessment fails to conform to law and the rules of the Commission in determining market value for assessment purposes; the Commission may make these changes if the county fails to follow the Commission's directives. Idaho Code § 63-316.

ILLINOIS

The Department of Revenue directs and supervises the assessment of all property; prescribes general rules relative to the assessment of property which are binding on all assessment officers; and prescribes all forms and the contents of required files and records. 35 Ill. Comp. Stat. § 200/8-5.

Cook County is divided into three assessment districts with each district subject to a general assessment every three years. 35 Ill. Comp. Stat. § 200/9-220. In the remaining

counties, property must be subject to a general assessment every four years. 35 Ill. Comp. Stat. § 200/9-215. If prior to January 1, 1990, a county board adopted a resolution dividing the county into four assessment districts, the resolution is valid until repealed by the county board. 35 Ill. Comp. Stat. § 200/9-225.

The Department may order a reassessment when it appears to the Department that the property in any county or reassessment district has not been assessed in substantial compliance with the law. 35 Ill. Comp. Stat. § 200/13-10.

INDIANA*

The Department of Local Government Finance exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including the adoption or promulgation of regulations, rules, appraisal manuals, and forms for the assessment of real property, and the development of specification requirements for computer software and hardware to be used by counties for assessment purposes. Ind. Code §§ 6-1.1-4-26, 6-1.1-31-1.

Assessed values of real property are annually adjusted to account for changes in value in those years since a general reassessment of property last took effect. The rules promulgated by the Department must establish a system that promotes uniformity and equal assessment of real property within and across classifications, requires assessing officials to re-evaluate the factors that affect value, express interactions of those factors mathematically, use mass appraisal techniques, provide notice to taxpayers and prescribes procedures that permit application of the adjustment percentages in an efficient manner by the assessing officials. Ind. Code § 6-1.1-4-4.5.

Beginning in 2009 and effective March 1, 2011, state law requires a general reassessment involving the physical inspection of all property every fifth year. Ind. Code § 6-1.1-4-4.

The Department has the power to order a state assessment or reassessment. Ind. Code §§ 6-1.1-4-31, 6-1.1-4-31.5, 6-1.1-4-5.

IOWA

The Department of Revenue prepares and updates a real property appraisal manual which includes the rules, forms and guidelines used by all assessors. Iowa Code § 441.21(1)(h).

Property is reassessed every other year. Iowa Code § 428.4.

The Department may order a reassessment of all or part of the property of an assessing district, specifying the areas of noncompliance and the steps necessary to achieve compliance. Iowa Code §§ 441.21(1)(i), 421.30(3).

KANSAS*

The Director of Property Valuation exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including the adoption of rules and regulations or appraiser directives which, at a minimum, shall require all appraisals to be performed in accordance with generally accepted appraisal standards. Kan. Stat. § 79-505.

Every parcel of real property shall be actually viewed and inspected by the county or district appraiser once every six years. A county is in compliance with this requirement if in

any year at least 17% of the parcels are actually viewed and inspected. Kan. Stat. § 79-1476.

Upon complaint made, *inter alia*, by the Director, if the State Board of Tax Appeals finds a county is not in substantial compliance with the law and that the interest of the public will be promoted by a reappraisal, it will order the reappraisal of all or any part of the property of such county. Kan. Stat. § 79-1413a.

KENTUCKY*

Properties are assessed subject to the direction, instruction and supervision of the Department of Revenue. Ky. Rev. Stat. § 132.420. Assessors are tested and certified by the Department. Ky. Rev. Stat. § 132.380.

Every parcel of real property shall be revalued each year in accordance with the standards prescribed by the Department and shall be physically examined not less than once every four years. Ky. Rev. Stat. § 132.690. Case law permits the administrator to divide the county into four districts and to assess one district each year. *Revenue Cabinet v. Leary*, 880 S.W.2d 878 (Ky. Ct. App. 1994).

The Department has the authority to order a revaluation when it determines such action to be necessary. Ky. Rev. Stat. § 132.690.

LOUISIANA*

The Louisiana Tax Commission exercises general supervision over the assessment programs of the parish assessors, including the adoption of guidelines, procedures, rules and regulations to implement the criteria for determining fair market value. La. Rev. Stat. § 47:2323.

Real property shall be reappraised at least every four years. La. Rev. Stat. § 7:2331.

MAINE*

The State Tax Assessor is responsible for the direction, supervision and control of the administration of all property tax laws. 36 Me. Rev. Stat. § 301. The State Tax Assessor maintains a state assessment manual which identifies accepted and preferred methods of assessing property. 36 Me. Rev. Stat. § 331. The minimum assessing standards promulgated by the state are to aid the municipalities in the realization of just assessing practices without mandating the different ways municipalities might choose to achieve such equitable assessments. 36 Me. Rev. Stat § 326. The State Tax Assessor establishes guidelines for professional assessing firms. 36 Me. Rev. Stat. § 330. The State Tax Assessor has the power to order a reassessment when advisable or necessary to the end that all classes of property are assessed in compliance with the law. 36 Me. Rev. Stat. § 384.

A physical inspection of each parcel of real estate must take place every four years. 36 Me. Rev. Stat. § 328(7).

MARYLAND

The Department of Assessments and Taxation is responsible for the assessment of property throughout the state, including setting the standards for assessing various kinds of property. Md. Code, Tax-Property § 2-202. The Department appoints a supervisor for each county who reports to the Director. Md. Code, Tax-Property § 2-105. This supervisor is responsible for the valuation of real property within the county. Md. Code, Tax-Property § 8-104(b).

Property is reassessed every three years through a physical inspection of the property. Md. Code, Tax-Property § 8-104(b)(1). If the reassessment results in an increase in value from the prior triennial assessed value, the increase shall be phased in over three years. Md. Code, Tax-Property § 8-103(a)(3)(i).

MASSACHUSETTS*

The Department of Revenue exercises general supervision over the assessment programs of the municipalities. It is required to adopt rules and regulations relative to assessments, including uniformity requirements. Mass. Gen. Laws ch. 58, § 1. The Commissioner of Revenue prepares appraisal manuals and provides training programs. Mass. Gen. Laws ch. 58, § 3. The Commissioner makes and issues comprehensive assessment ratio studies of the average level of assessment, the degree of assessment uniformity and overall compliance with the assessment and classification requirements of each major class of property. Mass. Gen. Laws ch. 58, § 10.

Property is assessed at its full and fair cash value each year. Mass. Gen. Laws ch. 59, § 2A. Every three years, a municipality's assessment must be reviewed by the Commissioner and certified as meeting legal standards, including a maximum coefficient of dispersion of 10% for single-family properties. *Bureau of Local Assessment Information Guideline Release* (IGR) No. 06-401 May 2006 at 1, 5 (http://www.mass.gov/Ador/docs/dls/publ/igr/2006/igr06_401.pdf).

MINNESOTA*

A state agency exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including instruction of local

assessors and local boards of review as to their duties under the law and periodic revision of the Minnesota assessors' manual. Minn. Stat. §§ 270C.85, 270C.87.

Real properties shall be reassessed at maximum intervals of every five years. The taxing bodies shall reassess at least one-fifth of the properties each year. Minn. Stat. §§ 273.08, 273.01.

Increased values for residential homestead properties and some other properties are phased in for years 2004-2008. For the years 2004, 2005, and 2006, the taxable portion of the increased value shall not exceed the greater of 15% of the value in the preceding assessment or 25% of the difference between the current assessment and the preceding assessment. For 2007, the amount of the increase shall not exceed the greater of 15% of the value in the preceding assessment or 33% of the difference between the current assessment and the preceding assessment. For 2008, the amount of the increase shall not exceed the greater of 15% of the value in the preceding assessment or 50% of the difference between the current assessment and the preceding assessment. Minn. Stat. § 273.11, Subd. 1a.

MISSISSIPPI

The State Tax Commission exercises general supervision over the assessment programs of the local taxing bodies authorized to appraise real property. Miss. Code § 27-3-31. It promulgates rules and regulations setting forth the minimum requirements to attain certification as an appraiser. Miss. Code § 27-3-52. The Commission, by regulation, establishes performance standards and accepted parameters for evaluation of the accuracy of assessments, including assessment level (ratio of assessments to current market value), assessment uniformity (test of uniformity of individual assessments) and

assessment equity (test of price-related bias). Each year the Commission shall determine if the assessments of each county comply with accepted performance standards. Any county not in compliance shall submit for the Commission's approval a plan to achieve compliance. Miss. Code § 27-35-113.

Real property shall be assessed every year. Miss. Code §§ 27-35-3, 27-35-50(5). The Tax Commission requires each county to physically observe 100% of all real property parcels within a four-year period. 48 010 001 Miss. Code R. 6.D.

MISSOURI

The State Tax Commission has the duty to exercise general supervision over all assessing officers of the state. It has the duty to prescribe the books that are used in the assessment of real property. 12 Mo. Code Regs. § 30.1.010.

New assessed values are determined as of January 1st of each odd-numbered year. These assessed values shall remain the same for the following even-numbered year. Mo. Rev. Stat. § 137.115, 12 Mo. Code Regs. § 30-3.001.

MONTANA*

The Department of Revenue is responsible for assessing all taxable property. Mont. Code § 15-8-101.

A comprehensive written reappraisal plan must be promulgated by the Department which provides that certain classes of property, including residential and commercial property, must be revalued by January 1, 2009, and each succeeding six years thereafter. The resulting valuation changes must be phased in for each year until the next reappraisal.

If a percentage of change for each year is not established, the percentage of phase-in for each year is 16.66%. Mont. Code § 15-7-111(3).

NEBRASKA*

A state agency exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including the education of assessors and prescribing the form of all schedules, books of instruction, assessment and tax books, records and other forms. Neb. Rev. Stat. §§ 77-702, 77-415, 77-705.

Assessors of local taxing bodies annually prepare and mail a copy to the Department of Property Assessment and Taxation a plan of assessment describing the assessment actions that the assessor plans to implement for the next three assessment years. The plan shall describe all assessment actions necessary to achieve the levels of value and quality of assessment practices required by law and the resources necessary to complete those actions. Neb. Rev. Stat. § 77-1311.02.

Under Regulations of the Department of Property Assessment and Taxation, all real property shall be assessed annually. 350 Neb. Admin. Code § 10-002.01. Currently there is no legislation specifying a time period within which complete reappraisals, including physical inspection of all properties, must be conducted.

NEVADA*

A state agency exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including the development of standard assessment procedures, in-service training of assessors and determining whether each county has adequate procedures to ensure that all property is being

assessed in a correct manner. Nev. Rev. Stat. §§ 361.215, 361.333. The state agency publishes the latest median ratio, overall ratio and coefficient of dispersion (these calculations are based on the ratio between assessed value and taxable value) for each of the seventeen counties and for each major class of property within each county. Nev. Rev. Stat. § 361.333.

All real property must be reappraised at least once every five years. Nev. Rev. Stat. § 361.260.

NEW HAMPSHIRE

The Commissioner of the Department of Revenue exercises general supervision over the assessment programs of the local taxing officers authorized to assess real property. N.H. Rev. Stat. § 21-J:3(V). The Commissioner may petition the Board of Tax and Land Appeals to issue an order for reassessment whenever the valuation of property within a taxing body is disproportional to the valuation of other property within the taxing body. N.H. Rev. Stat. § 21-J:3(XXV). The Board of Tax and Land Appeals also has authority to independently order a reassessment. N.H. Rev. Stat. § 71-B:16.

All real estate shall be reappraised at least every fifth year. N.H. Rev. Stat. § 75:8-a.

In developing standards for equalization, the Equalization Board shall review the standards of the International Association of Assessing Officers and any other standards that are consistent with the work of the Board. N.H. Rev. Stat. § 21-J:14-d (II). In 2003 the Assessing Standards Board recommended to the Department of Revenue Administration the following acceptable ranges for assessment-to-sales ratio studies: 1. A median ratio should be between 0.90 and 1.10 with a 90% confidence level in the year of the review;

and 2. An overall coefficient of dispersion for the municipality's median ratio should not be greater than 20.0 without the use of a confidence interval. http://www.nh.gov/revenue/property_tax/asb/2003/asb_guidelines_12_19_03.doc at 1.

NEW JERSEY*

The Director of the Division of Taxation shall establish standards to be used in the valuation and revaluation of real property. N.J. Stat. § 54:1-35.35. The Director must approve a municipality's proposed contract for valuation or revaluation of property and shall prescribe minimum qualifications for firms and individuals engaged in the business of valuing and revaluing property. N.J. Stat. §§ 54:1-35.35, 54:1-35.36.

Assessments are to be conducted annually. N.J. Stat. §§ 54:4-1, 54:4-35. By regulation, the Director has listed twelve criteria that should be used by a county board of taxation in considering whether it should order a revaluation. 18 N.J. Admin. Code § 12A-1.14(b)(1)(i-xii).

NORTH CAROLINA

The Department of Revenue exercises general and specific supervision over the assessment programs of the local taxing bodies. N.C. Gen. Stat. § 105-289(a)(2). The Department provides education, training, testing and certification for assessors, and advises local tax officials of their duties concerning the listing, appraisal and assessment of property. N.C. Gen. Stat. § 105-289(d) and (f).

Each county shall reappraise all real property at least every eight years. As of January 1st of the fourth year following a reappraisal, if it is determined that such adjustments are required, the assessors shall revise values by horizontal adjustments (i.e.,

by uniform application of percentages of increase or reduction to the appraisal values of properties within defined types or categories or within defined geographic areas). In years in which property is not subject to a reappraisal or revision, properties are valued at the value when last reappraised or revised. N.C. Gen. Stat. § 105-286.

NORTH DAKOTA

The Tax Commissioner exercises general supervision over all assessors in the performance of their duties to the end that all assessments be made relatively just and equal in compliance with the laws of the state. The Tax Commissioner may require a reassessment of property in any county whenever it is deemed necessary. N.D. Cent. Code § 57-01-02.

All real property is assessed every year. N.D. Cent. Code § 57-02-11.

OHIO*

The Department of Taxation has oversight responsibility for the assessment programs of the local taxing bodies. Oh. Rev. Code § 5703.02. It shall adopt rules and regulations to regulate the manner of all valuations of real property. Oh. Rev. Code §§ 5703.16, 5715.01.

All real property shall be viewed and appraised at its true value every six years. These property values shall be updated in the third year following a reassessment. Oh. Rev. Code § 5713.01; Oh. Admin. Code § 5703-25-06(C).

OREGON*

The Department of Revenue shall exercise general supervision and control over the system of property taxation throughout the state. Or. Rev. Stat. § 306.115. It shall issue regulations, manuals, instructions and directions to the county assessors. Or. Rev. Stat. §§ 306.120, 306.150. It shall conduct training sessions. Or. Rev. Stat. §§ 306.150, 306.152.

Property is assessed annually. Or. Rev. Stat. § 308.210(1).

RHODE ISLAND

The Director of the Department of Administration exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including certification of all persons engaged in the business of revaluing property, promulgation of rules and regulations, providing resources to improve methods of property tax assessments and conducting an annual training institute for local tax assessors. R.I. Gen. Laws §§ 44-5-11.1, 44-5-11.2, 44-5-11.3, 44-5-11.6(b), 44-5-48, 44-5-49 and 44-35-4.

Every taxing body shall conduct a revaluation within nine years of the date of the prior revaluation and shall conduct an update of real property every three years from the last revaluation. R.I. Gen. Laws §§ 44-5-11.5(4), 44-5-11.6(a)(2)(ii).

SOUTH CAROLINA*

A state agency exercises general supervision over the administration of the property tax laws, including the promulgation of regulations to ensure equalization which must be

adhered to by all assessing officials. S.C. Code § 12-43-210. The agency may take any action necessary to ensure the proper assessment, equalization and taxation of property. S.C. Code §§ 12-4-520, 12-43-250.

Once every fifth year, each county must reassess all property. The county, by ordinance, may postpone for not more than one year the implementation of the revised values. S.C. Code § 12-43-217.

SOUTH DAKOTA

The South Dakota Real Estate Appraisal Manual, issued by the Department of Revenue and Regulation, is the standard real estate appraisal guide for the state. S.D. Admin.R 60:04:01:20. The Secretary of Revenue and Regulation annually publishes assessment to sales ratio studies of the average level of assessment, the degree of assessment uniformity, and the overall compliance with assessment requirements for each class of property in each county. S.D. Codified Laws § 10-11-55.

All property shall be assessed annually. S.D. Codified Laws §§ 10-6-2; 10-11-64. The median sales to assessment ratio of all real property may not be less than 85% or more than 100%. S.D. Codified Laws § 10-6-33.8. The coefficient of dispersion may not be more than 25%. S.D. Codified Laws § 10-6-33.9.

The Secretary of Revenue and Regulation may order the reassessment of real property when, in his or her opinion a reassessment is necessary, to the end that property in the assessment district shall be assessed in compliance with the law. S.D. Codified Laws § 10-1-21. The Secretary may issue a certificate of compliance for a county not in compliance if significant changes in market conditions occurred during the previous two years or if the county is in the process of a countywide reappraisal and at least 60% of the properties have been reappraised within the previous three years.

TENNESSEE*

A state agency exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including the preparation of assessment manuals for use by local assessors, conducting educational and training courses for state and local assessing officials, and developing methods and procedures to assist and guide local assessors and boards of equalization. Tenn. Code §§ 67-1-202, 67-1-205, 67-1-509, 67-5-602(a). The state agency, upon a determination that an assessor has not complied with the requirements of the law, shall notify the assessor of what steps must be taken. Tenn. Code § 67-5-505(c).

There must be a physical reappraisal using a continuous six-year cycle, with updating in the third year of the cycle if the overall level of appraisal for the jurisdiction is less than 90% of fair market value. However, in counties which have adopted a four-year or five-year reappraisal cycle, no updating or indexing of values is required. Tenn. Code § 65-5-1601.

Real estate is classified according to use: public utility property is assessed at 55% of fair market value; industrial and commercial property at 40%; residential property at 25%; and agricultural property at 25%. Tenn. Code § 67-5-801.

UTAH*

The State Tax Commission exercises general supervision over the county assessment programs, including the adoption of rules and policies, and prescribing the use of forms relating to the assessment of property. Utah Code § 59-2-210. The Commission shall also conduct in-service education and training. Utah Code § 59-2-702.

The Commission shall adopt standards for determining acceptable assessment levels and valuation deviations. In adopting standards, the Commission shall consider any relevant standards of the International Association of Assessing Officers. Utah Code § 59-2-704.5. The Commission shall take corrective action if it determines that the sales-assessment ratio, coefficients of dispersion or other statistical measures of appraisal performance are not within the standards provided by law. Utah Code § 59-2-303.1(1)(a).

Every county assessor shall annually update property values based on a systematic review of current market data and shall complete a detailed review of property characteristics for each property at least every five years. Utah Code § 59-2-303.1(1).

VERMONT*

The Property Valuation and Review Division exercises general supervision over the assessment programs of the local taxing bodies, including the adoption of rules for the uniform administration of the property tax. 32 Vt. Stat. § 3411. The Director shall provide an assessment education program and determines the necessary course work or evaluation of equivalent experience required for designation as a Vermont lister/assessor. 32 Vt. Stat. § 3436.

If the Director determines that a taxing body's education grand list is at a common level of appraisal below 80% or has a coefficient of dispersion greater than 20, the taxing body shall reappraise its education grand list properties. 32 Vt. Stat. § 4041a(b).

VIRGINIA*

The Tax Commissioner shall supervise the administration of the tax laws insofar as they relate to assessments with a view to ascertaining the best methods of effecting

equitable assessments. Va. Code § 58.1-202(1). The Commissioner shall prescribe and install uniform systems to be used by assessing officials. Va. Code § 58.1-202(7). The Commissioner shall annually make available a general reassessment procedures manual. Va. Code § 58.1-202(11).

There shall be a general reassessment in the counties at least every four years, however counties with a population of 50,000 or less may choose to conduct a general reassessment at five-year or six year intervals. Va. Code § 58.1-3252. Any county which provides for annual assessment and reassessment and equalization of real estate is not required to undertake general reassessments every four years. Va. Code § 58.1-3255. There shall be a general reassessment in the cities at least every two years, however cities with a population of 30,000 or less may choose to conduct a general reassessment at four-year intervals. Va. Code § 53.1-3250.

In towns for town taxation and debt limitation, there shall be a general reassessment every four years. A town which fails to conduct a general reassessment within five years shall use those assessed values assigned by the county. Va. Code § 58.1-3256.

WASHINGTON*

The Department of Revenue exercises general supervision and control over the administration of the assessment laws, including the formulation of rules and processes for the assessment of real property best calculated to secure uniform assessment of property. Wash. Rev. Code § 84.08.010. Each assessor is required to value property in accordance with the rules, regulations and valuation manuals published by the Department. Wash. Rev. Code § 84.41.090.

Assessors must physically inspect all real property at least once within a six-year period. Approximately equal portions of taxable property of the county are inspected each year, with the newly-determined values placed on the assessment rolls each year. Wash. Rev. Code § 84.41.041, Wash. Admin. Code § 458-07-015(4)(a) and (b).

If a county's revaluation plan provides for a physical inspection at least once every four years, a county may—but it is not required to—adjust the valuation of the properties in the county with such adjustments to be based on appropriate statistical data. If a county's revaluation plan provides for physical inspection less frequently than every four years, during the intervals between each physical inspection the valuation of a property shall be adjusted annually to reflect its current and fair value, based on appropriate statistical data. Wash. Rev. Code § 84.41.041.

WEST VIRGINIA*

The Property Valuation Training and Procedures Commission exercises general supervision over the county assessors. It devises training and certification criteria for county assessors, establishes uniform statewide procedures and approves methodologies, develops an outline of items to be included in a county property valuation plan and establishes objective criteria for the evaluation of the performance of the duties of county assessors. W.Va. Code § 11-1C-4. The Tax Commissioner evaluates the performance of each assessor based upon the criteria established by the Commission and determines which persons have met the training requirements established by the Commission. W.Va. Code §§ 11-1C-5, 11-1C-6.

County valuation plans were approved by the Commissioner, and pursuant to these plans, every parcel of real property is visited by a member of the assessor's staff in

repeating three-year cycles. Adjustments to current valuations are made based on the information obtained by these viewings and sales ratio studies provided by the Tax Commissioner. W.Va. Code §§ 11-1C-7, 11-1C-9.

WISCONSIN

A state agency exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property, including the preparation and updating of an assessment manual which must be used by local assessors, and after certain standards are not met, the imposition of mandatory education or supervision. Wis. Stat. §§ 70.32(1), 73.03(2a), 70.05(f) and (g), 73.08. Upon petition of specified taxable property owners, and a finding that the assessment of property in the taxation district is not in substantial compliance with the law and that the interest of the public will be promoted by a reassessment, the agency may order the reassessment of taxable property. Wis. Stat. § 70.75(1).

Each taxing body shall assess property at full value at least once every five years. Wis. Stat. § 70.05(5)(b).

WYOMING

The Department of Revenue shall prescribe by rule and regulation the appraisal methods and systems for determining fair market value, using generally accepted appraisal standards. Wyo. Stat. § 39-13-103(b)(ii). The Wyoming Rules and Regulations establish assessment standards, training requirements, and provide for the Department to monitor and evaluate the assessment programs of each county. Wyo. Admin. R. Chs. 9, 13. In monitoring compliance with Department directives, if concerns are not cured within

a specified time, the Department in conjunction with the county, may develop a work plan to correct the situation. Wyo. Admin. R. Ch. 9 § 6(e)(iii).

Legislation provides for annual property valuation and assessment. Wyo. Stat. §§ 39-13-103(b)(i); 39-13-102(m). Each county assessor shall commence a program to review all taxable properties at least once every four years in order to assure that the property characteristic data is correct. Wyo. Admin. R. Ch. 9 § 3(d).

B. STATES WITH AMENDED UNIFORMITY REQUIREMENTS

ARIZONA

Constitutional Amendment

Pursuant to Article 9, Section 18 of the Arizona Constitution, the assessment for primary property tax purposes cannot exceed the greater of 110% of the prior assessment for primary property tax purposes or 25% of the difference between the prior assessment and the full cash value of the current assessment. Ariz. Rev. Stat. § 42-13301.

Assessment Requirements

The Department of Revenue exercises general supervision over the county assessors. This includes prescribing guidelines for applying standard appraisal methods and techniques used in determining the valuation of property, and preparing manuals and other guidelines reflecting these standards and techniques. Ariz. Rev. Stat. §§ 42-13002, 42-11054. Only persons holding an assessor's or appraiser's certificate recognized by the Department may perform duties as an assessor or appraiser. Ariz. Rev. Stat. § 42-13006. The Department may equalize valuations of property between or within counties based on

a deviation from the standard median or on a deviation from the coefficient of dispersion, as prescribed by law. Ariz. Rev. Stat. § 42-13252.

A county may use the same valuation for up to three tax years for certain types of property, including residential property, if the county assessor files a specific plan for the valuations with the Department and the plan is implemented uniformly throughout the county. Ariz. Rev. Stat. § 42-13052. Otherwise, property shall be assessed annually. Ariz. Rev. Stat. § 42-13252.

ARKANSAS

Constitutional Amendment

A constitutional amendment provides that when the appraised value of a taxpayer's principal place of residence has increased from the prior year's assessed value, any increase may not exceed 5% of the assessed value of the parcel for the previous year, and in each year thereafter the assessed value shall increase by only an additional 5% of the assessed value for the year prior to the first assessment. For other property, the annual increase may not exceed 10%. Ark. Const. Amend. 79 § 1.

Assessment Requirements

A state agency exercises general supervision over the assessment programs of the local taxing bodies authorized to assess real property. Ark. Code § 26-24-102. This agency, in conducting sales-to-ratio studies, shall use using generally accepted valuation procedures, statistical compilations, and analysis techniques found in the International Association of Assessing Officers' standards on ratio studies. Whenever certain ratios fall below 18% or above 22% of full fair market value, the county is deemed to have failed the

ratio study, and the agency shall direct and supervise a detailed market value and assessment value analysis. Ark. Code § 26-26-304.

Property shall be reappraised at its full and fair market value at least once every five years. If the new market value real estate assessment is greater than 15% from the market value real estate assessment in the year preceding the beginning of the reappraisal cycle, the county will reassess property under a three-year cycle. Ark. Code § 26-26-1902.

If it is shown that the assessment of property is not in substantial compliance with the law and that the interest of the public will be promoted by a reassessment of the property, the state agency may order a reappraisal. Ark. Code § 26-26-1301.

CALIFORNIA*

Constitutional Amendment

Through a 1978 constitutional amendment, known as *Proposition 13*, property is assessed at its full fair market value only on the date of its transfer. This base year value may be increased annually only by the rate of inflation, not to exceed an increase of 2% each year. Cal. Const. Art. 13A, § 2.

Assessment Requirements

The Assessment Policy and Standards Division of the State Board of Equalization develops property tax assessment policies and informational materials for county assessors. It ensures that the content of property tax forms is uniform through the state and provides technical assistance on property tax assessment matters. See Annual Report of State Board of Taxation 2004-05, Property Taxes, Operations at 20 (<http://www.boe.ca.gov/annual/pdf/2005/3-property05.pdf>).

Property shall be assessed annually. Cal. Rev. & Tax Code § 405.

FLORIDA*

Constitutional Amendment

Pursuant to a 1992 constitutional amendment, the assessed value of homestead property may not be increased by more than the lesser of 3% of the assessed value of the property for the prior year or the percent change in the Consumer Price Index. Fla. Const. Art. VII, § 4(c). When a property is transferred, it shall be assessed at fair market value as of the year following the change of ownership. Fla. Stat. § 193.155(3).

Assessment Requirements

The Department of Revenue exercises general supervision over the assessment and valuation of property. Fla. Stat. § 195.002. The Department shall prescribe reasonable rules and regulations for assessments that shall be followed by the property appraisers. The rules and regulations shall prescribe uniform standards and procedures for computer programs. Fla. Stat. § 195.027.

Property is assessed annually. Fla. Stat. § 192.042. All property must be physically inspected at least once every five years. Fla. Stat. § 193.023(2).

MICHIGAN

Constitutional Amendment

Pursuant to a 1994 constitutional amendment, a property's taxable value (which the legislature has set at 50% of a property's true cash value) shall not increase when

compared with the preceding year by more than 5% or the inflation rate, which ever is less, (i.e., taxable value cannot increase by more than the inflation rate when inflation is at or below 5%). However, if property is transferred, the taxable value is 50% of current true cash value. Mich. Const. Art. 9, § 3, Mich. Comp. Laws § 211.27a. See, generally, *WPW Acquisition Company v. City of Troy*, 646 N.W.2d 487 (Mich. Ct. App. 2002).

Assessment Requirements

The State Assessor's Board certifies assessors; annual assessments may be made only by certified assessors. Mich. Comp. Laws. § 211.10d(1).

The State Tax Commission approves a manual for assessing property that assessors must follow. Mich. Comp. Laws. § 211.10e. This Commission assumes jurisdiction over the assessment roll of a local assessing district if an assessment roll is not in substantial compliance with the law. Mich. Comp. Laws § 211.10(f)(1).

Property shall be assessed annually. Mich. Comp. Laws. § 211.10(1).

NEW MEXICO*

Constitutional Amendment

A 1998 amendment to the New Mexico Constitution directs the legislature to provide by law for the valuation of residential property for property taxation purposes in a manner that limits annual increases in the valuation of residential property. N.M. Const. Art. VIII, § 1.B.

Assessment Program

The Director of the Taxation and Revenue Department has general supervisory authority over the county assessors, including the implementation of procedures for evaluating the performance of county assessors' functions on a regular basis. N.M. Stat. § 7-35-3.A. The Department prepares manuals and handbooks, and county assessors must use the most current Department valuation manuals and cost and valuation schedules. N.M. Stat. § 7-35-4, NM Admin. Code § 3.6.3.9. The Department conducts a required training program for new county assessors and offers special courses of instruction on aspects of property taxation. N.M. Stat. § 7-35-5.

All property is valued annually. N.M. Stat. § 7-38-7.

The value of any residential property in any tax year shall not exceed the higher of 103% of the value in the tax year prior to the tax year in which the property is being valued or 106.1% of the value in the tax year two years prior to the tax year in which the property is being valued. This limitation on increases in value does not apply where there is a change of ownership. N.M. Stat. § 7-36-21.2.

OKLAHOMA

Constitutional Amendment

A Constitutional Amendment, effective in 1997, provides that assessed values of any parcels of real property cannot be increased by more than 5% in any taxable year except in any year immediately after the property is transferred. Okla. Const. Art. X, § 8B.

Assessment Requirements

The Oklahoma Tax Commission exercises general supervision over the county assessment programs. It shall make and publish such rules, regulations and guides which are needed for the general guidance and assistance of the county assessors. 68 Okla. Stat. § 2825. The Commission conducts periodic audits of assessments, establishes guidelines for determining the extent of noncompliance with applicable law or administrative rules and may impose schedules, establish deadlines or impose changes in a county's procedures for the purpose of bringing a county into compliance. 68 Okla. Stat. § 2830.

State legislation requires educational accreditation and continuing education for county assessors. 68 Okla. Stat. § 2816.

Assessments are conducted annually. 68 Okla. Stat. § 2817B. In order to comply with the provisions of the legislation requiring annual assessments, each county assessor shall establish the fair market value of taxable property using an accepted mass appraisal methodology. 68 Okla. Stat. § 2829. Assessors must conduct visual inspections at least every four years. 68 Okla. Stat. § 2820.

TEXAS*

Constitutional Amendment

Pursuant to a 1997 constitutional amendment, the legislature may limit the maximum average annual percentage increase in the appraised value of residence homesteads to 10 percent. Tex. Const. Art. VIII, § 1(i).

Assessment Requirements

Administrative and judicial enforcement of uniform standards and procedures for the appraisal of property originates in the county where the tax is imposed. Tex. Const. Art. VIII, § 23. The Comptroller prescribes the contents of all forms and a uniform record system. Tex. Tax Code § 5.07. The Comptroller may prepare or approve publications relating to the appraisal of property, including a general assessment manual. Tex. Tax Code § 5.05.

The Comptroller annually determines the degree of uniformity and the median level of appraisals in each appraisal district, including the coefficient of dispersion. Tex. Tax Code § 5.10. The Comptroller shall deliver a report to certain school districts detailing recommendations for improvement when it finds that a district is not in compliance with generally accepted appraisal standards and practices. Tex. Tax Code § 5.102. The Comptroller shall audit the performance of an appraisal district if the coefficient of dispersion exceeds 0.30, however, the Comptroller may not conduct a performance audit if the coefficient of dispersion is less than 0.15. Tex. Tax Code § 5.12.

Every three years, each appraisal office shall identify and update the relevant characteristics of each property and define market areas. Tex. Tax Code § 25.18. Except for improvements, any increase in the appraised value of a residence homestead is limited to 10 percent each year. Tex. Tax Code § 23.23.

C. STATES WITHOUT UNIFORMITY REQUIREMENTS

ALASKA

The State Assessor in the Department of Commerce, Community and Economic Development may inspect municipal records dealing with assessment, valuation or taxation procedures. 3 Alaska Admin. Code § 139.900, Alaska Stat. § 29.45.103. A municipality shall correct its procedures before the beginning of the next fiscal year if it receives a notice from the State Assessor that major errors have been found in its assessment, valuation or tax procedures. Alaska Stat. § 29.45.105.

Property is assessed at its full and true value as of January 1st of the assessment year. Alaska Stat. § 29.45.110. Systemic re-evaluation of real property shall be made only in accordance with a resolution or other act of the municipality directing a systemic re-evaluation over the shortest period of time practicable as fixed in the resolution. Alaska Stat. § 29.45.150. For purposes of financing public schools and where there is no local assessor, the State Assessor determines the full and true value of property at least every two years, including on-site inspections made at least once every four years. Alaska Stat. § 14.17.510.

HAWAII

Under a 1978 amendment to the Hawaii constitution, effective in 1981, real property taxes are assessed and collected by the counties. Haw. Const. Art. VIII, § 3. State law no longer governs how the process works. *In re Tax Appeal of Gardner at West Maui Vacation Club*, 978 P.2d 772, 779 (Haw. 1999).

County Ordinances requiring annual assessments are: Honolulu, Rev. Ord. Honolulu § 8-7-1; Hawaii, Hawaii County Code § 19-47 (a 3% limit is placed on increases in assessed value of residential property each year until the parcel is sold), Hawaii County Code § 19-53(g)(1); Maui, Maui County Code § 3.48.185; and Kauai, Kauai County Code § 5A-8.1(a).

NEW YORK

A general assessment law creates a State Board of Real Property Services which shall exercise general supervision over the function of assessing throughout the state, establish minimum qualification standards for assessors, monitor the quality of local assessment practices by individual assessing units and adopt rules and regulations necessary for the performance of its duties. N.Y. Real Prop. Tax Law §§ 202, 312.

The general laws provide for annual assessments with all real property valued as of July 1st of the preceding year. N.Y. Real Prop. Tax Law § 301.

However, special legislation governing taxing bodies with populations of one million or more, for example New York City, provides that assessments of residential property of up to three units cannot be increased by more than 6% each year or 20% in five years, and residential property with four to ten units cannot be increased by more than 8% each year or 30% in five years. N.Y. Real Property Tax Law § 1805.

RELIEF TO BE PROVIDED

In both lawsuits, plaintiffs request that I enter a court order declaring that the provisions of the General County Assessment Law (72 P.S. § 5020-402(a)) and the Second Class County Assessment Law (72 P.S. § 5452.4(a.2)), which allow a county to

arrive at actual value by using a base year market value, violate the Uniformity Clause of the Pennsylvania Constitution. I will enter such a court order because this legislation does not couple the use of a base year market value with any reassessment requirements.

In the *Pierce* litigation, plaintiffs also request that I enjoin Allegheny County from carrying out assessments under Ordinance 45, which provides for property to be valued at 2002 values, and that I enjoin the Chief Assessment Officer from failing to certify the February 2005 assessment roll for the 2006 tax year. Because this relief cannot be granted in 2007, I will consider whether I should order a reassessment in 2007 for use in 2008.

Section 3107-C(h)(8) of the Second Class County Charter Law, Act of July 28, 1953, P.L. 723, added by § 3 of the Act of May 20, 1997, P.L. 149, 16 P.S. § 6107-C(h)(8), provides that the Home Rule Charter does not give to any second class county the power or authority to alter any acts of the General Assembly which are applicable to counties of the second class with respect to the assessment of real property for taxation purposes. This provision of the Charter Law prevents the legislative body of a second class county from enacting any legislation governing the valuation of properties that will be used by the taxing bodies for purposes of levying taxes. See *Board of Property Assessment, Appeals, Review and Registry of Allegheny County v. County of Allegheny*, 773 A.2d 816, 820-21 (Pa. Cmwlth. 2001), appeal denied, 790 A.2d 1019 (Pa. 2001) (the government of Allegheny County may not “legislate with respect to the substantive rules governing the making of assessments and valuations”); and *Sto-Rox School District v. Allegheny County*, *supra*, 153 P.L.J. at 195. Thus, Allegheny County must assess property in the manner provided for by the applicable Acts of Assembly.

Because of my ruling that the present legislation allowing base year assessments is unconstitutional, the only remaining option for Allegheny County under General County Assessment Law is an annual reassessment based on the current market value. 72 P.S. § 5020-402(a); *McKinney v. Board of Commissioners of Allegheny County*, 410 A.2d 1238, 1241 (Pa. 1980) (“all other counties, except second class counties, are required to make annual assessments”).⁴⁴ Since this is the only remaining option, plaintiffs contend that I should compel a reassessment for 2008.

For two reasons, I am not entering a court order directing Allegheny County to complete a reassessment (similar to the 2005 reassessment) in 2007 for use in 2008.

First, I anticipate that Allegheny County will file a motion for post-trial relief and, if post-trial relief is not granted, an appeal from the entry of the judgment to the Pennsylvania Supreme Court.⁴⁵ My ruling concerns a statewide rather than an Allegheny County issue because Allegheny County’s use of a 2002 base year is permitted under the state assessment laws and every county in the state uses a base year method of assessment. Allegheny County’s assessments are more uniform than the assessments of most other counties. Under these circumstances, the interests of justice are served by permitting Allegheny County to continue to assess property in the same manner as all other counties assess property during the pendency of an appeal of my ruling to the Pennsylvania

⁴⁴The Second Class County Code authorizes Allegheny County to elect to assess property on a triennial assessment basis with one-third of the county being reassessed every year. *McKinney v. Board of Commissioners of Allegheny County*, *supra*. Through a resolution adopted by the Board of County Commissioners on October 25, 1977, the County discontinued its use of cyclical (staggered) triennial assessments. On October 15, 1978, Allegheny County and the Board of Property Assessment, Appeals and Review entered into a consent decree which provided that the Board is enjoined from reinstating the use of the cyclical (staggered) triennial system of assessments. See *Boro of Green Tree v. Board of Property Assessment, Appeals and Review*, 127 P.L.J. 172 (1978). In this Opinion, I do not consider whether Allegheny County may enact an ordinance providing for triennial assessments pursuant to Section 7 of the Second Class County Assessment Law, 72 P.S. § 5452.7.

⁴⁵The Pennsylvania Supreme Court has exclusive jurisdiction of appeals from final orders of the courts of common pleas in matters where a court of common pleas has held invalid as repugnant to the Pennsylvania Constitution a statute of this Commonwealth. 42 Pa.C.S. §722(7).

Pennsylvania Supreme Court as opposed to imposing reassessment requirements on Allegheny County that are not imposed on any other county.⁴⁶

Second, only the General Assembly can develop a comprehensive system of assessing property that considers the approaches of the different states.

More than half of the states have enacted assessment legislation that does not require annual reassessments.⁴⁷ Courts should not provide for alternatives to annual reassessments; these alternatives should be created only through legislation.

Virtually every other state has concluded that a state agency with oversight responsibility is a necessary feature of an assessment scheme designed to produce assessment uniformity and equality. This, again, is a matter for the General Assembly.

This litigation does not involve legislation that the current members of the General Assembly enacted. The current members of the General Assembly should have an opportunity to respond to this litigation by considering whether to address the issues of the absence of an oversight body, the failure of the counties to reassess, and assessments that do not meet any recognized uniformity and equality standards.⁴⁸

⁴⁶In prior assessment litigation, I provided immediate relief because I found that ordinances or other actions of public officials violated state law. In that situation, I was upholding the laws of the General Assembly; the presumption of constitutionality applies only when I am declaring that an act of the General Assembly violates the Constitution.

⁴⁷The appellate court case law that has considered uniformity challenges to laws that provide for periodic reassessment has upheld the laws on the ground that they balance practical concerns with the constitutional rights of the taxpayers. See *Revenue Cabinet, Commonwealth of Kentucky v. Leary*, 880 S.W.2d 878, 880-81 (Ky. Ct. App. 1994), where the Court, citing eleven appellate court cases of other jurisdictions reaching the same result, upheld legislation which divided counties into four geographic sections, with each section being physically examined and revalued in its scheduled year and not again for the next three years. Also see *Belas v. Kiga, supra*, 959 P.2d at 1048-49.

⁴⁸My court order provides for a reassessment in 2010 in order that subsequent litigation and efforts to seek amendments to the state assessment laws are promptly pursued.

ORDER OF COURT

On this 6 day of June, 2007, it is hereby ORDERED, ADJUDGED, and DECREED that:

1. The provisions of the General County Assessment Law (72 P.S. § 5020-402(a)) and the Second Class County Assessment Law (72 P.S. § 5452.4(a.2)), which allow a county to arrive at actual value by using a base year market value, violate the Uniformity Clause of the Pennsylvania Constitution;

2. By March 31, 2008, the Chief Assessment Officer of Allegheny County shall complete a computer-assisted reassessment for use in 2009 similar to the reassessment she prepared in February 2005 for use in 2006. She shall determine that this reassessment, as to the County, meets IAAO standards and she shall obtain independent verification that the following IAAO standards have been met as to the County: a COD of 15 or less for the County and a PRD of between .98 and 1.03 for the County;

3. By March 31, 2009, the Chief Assessment Officer of Allegheny County shall complete a computer-assisted reassessment for use in 2010 similar to the reassessment she prepared in February 2005 for use in 2006. She shall determine that this reassessment, as to the County, meets IAAO standards and she shall obtain independent verification that the following IAAO standards have been met as to the County: a COD of 15 or less for the County and a PRD of between .98 and 1.03 for the County;

4. If all proceedings pending in the Pennsylvania courts are concluded prior to October 31, 2008, property within Allegheny County for 2009 shall be assessed based on the reassessment prepared pursuant to paragraph two of this Order of Court; and

5. Even if a final order has not been entered in these proceedings, property within Allegheny County for 2010 shall be assessed based on the reassessment prepared pursuant to paragraph 3 of this Order of Court.

BY THE COURT:


WETTICK, A.J.

STATE TAX EQUALIZATION BOARD

Pennsylvania

County Assessment Statistics for 2004

PDR=Predetermined Ratio CLR=Common Level Ratio COD=Coefficient of Dispersion PRD=Price Related Differential

COUNTY	PDR	CLR	COD	PRD	COUNTY	PDR	CLR	COD	PRD
Adams	50.0	30.5	24.09	1.03	Lackawanna	100.0	18.6	65.09	1.32
x Allegheny	100.0	91.3	20.14	1.08	Lancaster	100.0	75.9	17.02	1.06
Armstrong	50.0	39.0	30.69	1.15	x Lawrence	100.0	91.2	26.75	1.10
Beaver	50.0	31.0	39.06	1.24	Lebanon	50.0	8.0	35.47	1.11
Bedford	100.0	20.0	43.35	1.22	Lehigh	50.0	36.6	21.93	1.08
Berks	100.0	80.0	19.41	1.08	Luzerne	^	6.5	57.06	1.17
Blair	75.0	8.4	32.16	1.03	Lycoming	75.0	60.4	16.22	1.03
Bradford	50.0	41.1	28.27	1.08	x McKean	25.0	23.5	19.52	1.07
Bucks	25.0	2.8	24.48	1.01	Mercer	100.0	28.1	43.52	1.38
Butler	75.0	10.1	37.07	1.08	x Mifflin	50.0	47.8	24.22	1.11
Cambria	50.0	14.0	57.32	1.23	Monroe	25.0	16.3	35.39	1.13
Cameron	50.0	35.6	44.91	1.28	Montgomery	100.0	60.4	17.58	1.07
Carbon	50.0	39.7	35.21	1.13	Montour	75.0	8.5	47.35	1.04
Centre	50.0	32.9	18.41	1.02	Northampton	50.0	36.4	20.85	1.09
Chester	100.0	60.8	17.97	1.02	Northumberland	50.0	12.3	54.65	1.25
Clarion	75.0	19.6	47.12	1.14	x Perry	100.0	86.2	25.41	1.07
Clearfield	25.0	19.5	43.53	1.26	x Philadelphia	32.0	29.7	37.97	1.17
Clinton	40.0	26.8	40.85	1.19	Pike	25.0	21.0	50.78	1.37
Columbia	50.0	30.7	28.72	1.07	Potter	100.0	39.5	48.86	1.20
Crawford	75.0	34.8	38.79	1.14	Schuylkill	50.0	41.4	33.57	1.13
x Cumberland	100.0	85.2	13.79	1.00	Snyder	75.0	15.9	40.88	1.11
Dauphin	100.0	80.4	18.61	1.04	Somerset	50.0	38.1	34.06	1.20
Delaware	100.0	72.5	25.72	1.11	r Sullivan	100.0	84.2	29.60	1.13
x Elk	20.0	19.0	55.78	1.27	Susquehanna	50.0	39.0	30.33	1.15
x Erie	100.0	88.5	20.89	1.05	Tioga	100.0	84.6	24.75	1.06
x Fayette	100.0	91.0	31.41	1.12	Union	50.0	14.6	33.28	1.07
Forest	75.0	22.9	54.49	1.35	x Venango	100.0	90.9	23.76	1.10
Franklin	100.0	13.0	32.38	1.07	Warren	50.0	35.6	31.34	1.11
Fulton	100.0	45.4	24.11	1.04	Washington	25.0	14.3	42.80	1.12
Greene	100.0	82.4	31.51	1.16	Wayne	35.0	7.6	74.83	1.37
Huntingdon	40.0	14.7	46.30	1.21	Westmoreland	100.0	20.5	53.70	1.15
Indiana	75.0	13.0	45.22	1.15	Wyoming	50.0	22.8	31.05	1.10
Jefferson	30.0	17.2	54.11	1.20	York	100.0	75.0	18.89	1.04
Juniata	100.0	15.6	53.35	0.97	Mean COD				

x CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

r County Reassessed in 2004.

^ No traditional predetermined ratio.

STATE TAX EQUALIZATION BOARD

Pennsylvania

County Assessment Statistics for 2003

PDR=Predetermined Ratio CLR=Common Level Ratio COD=Coefficient of Dispersion PRD=Price Related Differential

COUNTY	PDR	CLR	COD	PRD	COUNTY	PDR	CLR	COD	PRD
Adams	50.0	34.6	21.50	1.04	Lackawanna	100.0	19.2	48.07	1.31
x Allegheny	100.0	93.9	20.22	1.08	Lancaster	100.0	81.7	14.70	1.03
Armstrong	50.0	39.7	33.52	1.16	rxLawrence	100.0	93.0	24.52	1.07
Beaver	50.0	32.2	38.69	1.24	Lebanon	50.0	8.2	27.19	1.03
Bedford	100.0	19.5	42.66	1.13	Lehigh	50.0	40.8	22.81	1.07
x Berks	100.0	86.3	20.35	1.09	Luzerne	^	6.8	41.47	1.12
Blair	75.0	7.9	28.10	0.98	Lycoming	75.0	62.4	18.06	1.03
x Bradford	50.0	43.3	25.42	1.08	x McKean	25.0	22.5	18.80	1.08
Bucks	25.0	3.1	18.70	1.03	Mercer	100.0	28.6	42.41	1.32
Butler	75.0	10.4	27.59	1.08	x Mifflin	50.0	49.3	22.73	1.10
Cambria	50.0	16.3	50.12	1.29	Monroe	25.0	17.9	31.06	1.11
Cameron	50.0	37.3	43.24	1.26	Montgomery	100.0	68.7	16.85	1.08
x Carbon	50.0	43.2	29.16	1.10	Montour	75.0	8.8	32.04	0.99
Centre	50.0	37.3	14.28	1.02	Northampton	50.0	39.2	17.24	1.06
Chester	100.0	68.0	17.02	1.02	Northumberland	50.0	13.4	46.94	1.22
Clarion	75.0	19.0	38.26	1.14	x Perry	100.0	91.0	22.53	1.04
Clearfield	25.0	19.1	36.12	1.12	x Philadelphia	32.0	27.3	35.70	1.16
Clinton	60.0	28.3	34.80	1.16	x Pike	25.0	22.7	40.44	1.28
Columbia	50.0	32.8	28.35	1.04	Potter	100.0	42.2	43.86	1.25
Crawford	75.0	33.9	36.16	1.07	x Schuylkill	50.0	43.2	30.76	1.12
x Cumberland	100.0	90.4	12.72	1.00	Snyder	75.0	16.4	33.41	1.09
x Dauphin	100.0	87.7	19.68	1.08	Somerset	50.0	40.5	31.11	1.13
x Delaware	100.0	79.5	23.77	1.12	Sullivan	50.0	23.4	37.86	1.08
x Elk	20.0	19.8	49.29	1.36	Susquehanna	50.0	41.4	26.98	1.12
rxErie	100.0	91.8	19.66	1.06	x Tioga	100.0	90.4	22.38	1.05
rxFayette	100.0	97.5	28.67	1.15	Union	50.0	16.2	31.11	1.06
Forest	75.0	21.1	47.67	1.23	x Venango	100.0	92.1	13.96	1.04
Franklin	100.0	14.5	26.89	1.00	Warren	50.0	36.8	30.86	1.11
Fulton	100.0	50.4	24.24	1.01	Washington	25.0	15.4	37.07	1.12
rx Greene	100.0	88.7	23.29	1.08	Wayne	35.0	8.2	46.09	1.31
Huntingdon	40.0	15.9	38.80	1.15	Westmoreland	100.0	21.1	36.16	1.16
Indiana	75.0	13.7	37.37	1.09	Wyoming	50.0	23.7	24.00	1.04
Jefferson	30.0	18.8	43.35	1.25	York	100.0	80.9	15.92	1.02
r Juniata	100.0	17.7	37.85	1.06	Mean COD				

x CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

r County Reassessed in 2003.

^ No traditional predetermined ratio.

STATE TAX EQUALIZATION BOARD

Pennsylvania

County Assessment Statistics for 2002

PDR=Predetermined Ratio CLR=Common Level Ratio COD=Coefficient of Dispersion PRD=Price Related Differential

COUNTY	PDR	CLR	COD	PRD	COUNTY	PDR	CLR	COD	PRD
Adams	50.0	37.7	19.36	1.02	Lackawanna	100.0	21.3	50.18	1.23
x Allegheny	100.0	97.5	19.76	1.07	x Lancaster	100.0	85.9	14.59	1.03
Armstrong	50.0	42.4	31.76	1.14	Lawrence	75.0	15.5	42.51	1.19
Beaver	50.0	34.8	38.36	1.25	Lebanon	50.0	8.4	25.59	1.03
Bedford	100.0	22.3	46.09	1.20	x Lehigh	50.0	44.7	21.58	1.06
x Berks	100.0	90.4	18.21	1.06	Luzerne	^	7.2	41.94	1.16
Blair	75.0	8.4	27.26	0.99	x Lycoming	75.0	65.9	16.26	1.03
x Bradford	50.0	45.4	25.66	1.06	x McKean	25.0	22.7	13.61	1.00
Bucks	25.0	3.5	20.00	1.02	r Mercer	100.0	27.5	40.94	1.21
Butler	75.0	11.2	30.53	1.09	x Mifflin	50.0	51.0	20.94	1.05
Cambria	50.0	15.9	48.17	1.29	Monroe	25.0	20.2	32.37	1.12
Cameron	50.0	35.4	36.20	1.15	Montgomery	100.0	76.7	16.85	1.08
x Carbon	50.0	45.0	27.90	1.03	Montour	75.0	9.7	31.13	1.02
Centre	50.0	39.6	14.72	1.03	x Northampton	50.0	42.6	22.50	1.12
Chester	100.0	74.0	15.06	1.03	Northumberland	50.0	13.9	47.62	1.25
Clarion	75.0	20.1	37.36	1.10	x Perry	100.0	93.4	14.93	1.00
Clearfield	25.0	20.5	37.56	1.18	x Philadelphia	32.0	29.5	34.50	1.15
Clinton	60.0	28.2	33.65	1.14	x Pike	25.0	24.4	33.81	1.20
Columbia	50.0	34.3	27.81	1.08	r Potter	100.0	42.0	43.73	1.24
Crawford	75.0	35.3	37.53	1.11	x Schuylkill	50.0	45.0	29.80	1.09
x Cumberland	100.0	95.4	11.00	1.00	Snyder	75.0	17.5	33.25	1.08
rx Dauphin	100.0	93.5	19.62	1.08	x Somerset	50.0	42.7	29.74	1.12
x Delaware	100.0	87.2	21.53	1.11	Sullivan	50.0	24.4	29.26	1.02
x Elk	20.0	20.0	45.55	1.43	x Susquehanna	50.0	45.3	26.73	1.10
Erie	40.0	7.8	29.10	1.06	rx Tioga	100.0	94.8	18.23	1.00
Fayette	100.0	25.8	49.20	1.31	Union	50.0	16.2	31.29	1.02
Forest	75.0	21.2	48.63	1.31	x Venango	100.0	94.3	13.83	1.02
Franklin	100.0	15.5	27.09	1.01	Warren	50.0	37.0	30.45	1.10
r Fulton	100.0	50.7	27.39	0.99	Washington	25.0	16.2	37.16	1.12
Greene	30.0	23.8	41.68	1.25	Wayne	35.0	9.1	45.38	1.33
Huntingdon	40.0	16.7	41.19	1.10	Westmoreland	100.0	22.2	35.99	1.12
Indiana	75.0	14.1	35.88	1.10	Wyoming	50.0	25.2	29.24	1.06
Jefferson	30.0	19.7	45.93	1.19	x York	100.0	85.8	15.36	1.02
Juniata	75.0	13.2	40.45	1.03	Mean COD				

x CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

r County Reassessed in 2002.

^ No traditional predetermined ratio.

STATE TAX EQUALIZATION BOARD

Pennsylvania

County Assessment Statistics for 2001

PDR= Predetermined Ratio CLR= Common Level Ratio COD= Coefficient of Dispersion

COUNTY	PDR	CLR	COD	COUNTY	PDR	CLR	COD
Adams	50.0	37.7	21.06	Lackawanna	100.0	21.1	51.70
x Allegheny	100.0	94.0	19.05	x Lancaster	100.0	91.0	11.61
Armstrong	50.0	42.0	29.97	Lawrence	75.0	15.8	41.77
Beaver	50.0	34.6	36.82	Lebanon	50.0	8.7	25.51
r Bedford	100.0	21.5	46.00	x Lehigh	50.0	46.2	21.59
x Berks	100.0	93.5	16.87	Luzerne	^	7.9	45.44
Blair	75.0	9.4	31.17	x Lycoming	75.0	67.3	14.33
x Bradford	50.0	46.1	25.31	x McKean	25.0	24.0	16.33
Bucks	25.0	3.8	19.47	Mercer	33.0	9.0	40.77
Butler	75.0	11.1	26.03	x Mifflin	50.0	52.4	20.47
Cambria	50.0	16.1	46.64	Monroe	25.0	21.3	30.28
Cameron	50.0	40.7	39.43	Montgomery	100.0	84.6	15.36
rx Carbon	50.0	48.7	29.88	Montour	75.0	9.3	36.23
Centre	50.0	41.1	14.52	x Northampton	50.0	46.0	20.52
Chester	100.0	80.5	13.35	r Northumberland	50.0	13.6	45.29
Clarion	75.0	21.7	40.92	rx Perry	100.0	95.7	14.28
Clearfield	25.0	20.2	35.64	x Philadelphia	32.0	31.4	41.14
Clinton	60.0	29.1	33.33	x Pike	25.0	27.8	36.54
Columbia	50.0	35.7	28.26	Potter	25.0	10.8	47.22
Crawford	75.0	35.3	36.91	x Schuylkill	50.0	46.6	28.26
rx Cumberland	100.0	98.6	11.30	Snyder	75.0	17.7	31.46
Dauphin	100.0	53.0	29.84	x Somerset	50.0	43.2	28.93
x Delaware	100.0	92.6	19.15	Sullivan	50.0	23.2	28.49
x Elk	20.0	19.1	47.22	x Susquehanna	50.0	45.7	24.55
Erie	40.0	7.9	27.84	Tioga	50.0	30.2	35.43
r Fayette	100.0	26.0	47.34	Union	50.0	17.5	28.68
Forest	75.0	21.8	47.52	rx Venango	100.0	96.9	7.63
r Franklin	100.0	16.9	26.56	Warren	50.0	36.5	27.75
Fulton	25.0	13.7	23.86	Washington	25.0	16.5	35.27
x Greene	30.0	26.3	43.72	Wayne	35.0	9.0	43.11
Huntingdon	40.0	18.3	43.16	Westmoreland	100.0	22.7	35.94
Indiana	75.0	15.1	37.01	Wyoming	50.0	29.3	35.01
Jefferson	30.0	17.9	39.27	x York	100.0	90.9	14.52
Juniata	75.0	13.3	40.52	Mean COD			

x CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

r Counties that have made a change in their assessments for 2001.

^ No traditional predetermined ratio.

STATE TAX EQUALIZATION BOARD

Pennsylvania

County Assessment Statistics for 2000

PDR= Predetermined Ratio

CLR= Common Level Ratio

COD= Coefficient of Dispersion

COUNTY	PDR	CLR	COD	COUNTY	PDR	CLR	COD
Adams	50.0	38.4	20.49	Lackawanna	100.0	20.9	47.55
Allegheny	25.0	18.8	29.62	x Lancaster	100.0	91.8	11.50
x Armstrong	50.0	43.5	30.16	Lawrence	75.0	16.6	43.49
Beaver	50.0	35.1	35.18	Lebanon	50.0	9.1	27.80
Bedford	35.0	8.2	46.46	x Lehigh	50.0	47.2	21.71
x Berks	100.0	94.7	15.77	Luzerne	^	7.7	42.20
Blair	75.0	10.1	32.57	x Lycoming	75.0	69.7	13.70
x Bradford	50.0	46.0	22.23	x McKean	25.0	23.8	15.71
Bucks	25.0	4.1	19.02	Mercer	33.3	9.2	39.78
Butler	75.0	11.8	26.94	x Mifflin	50.0	53.0	21.28
Cambria	50.0	17.4	48.33	x Monroe	25.0	22.7	31.76
Cameron	50.0	40.2	37.88	x Montgomery	100.0	89.3	14.99
Carbon	40.0	8.9	44.60	Montour	75.0	9.4	35.10
Centre	50.0	41.8	16.91	x Northampton	50.0	47.4	20.23
x Chester	100.0	85.2	12.27	Northumberland	25.0	6.8	43.52
Clarion	75.0	20.9	37.84	Perry	75.0	12.5	37.44
x Clearfield	25.0	22.4	42.67	x Philadelphia	32.0	28.7	35.33
Clinton	60.0	29.7	36.56	x Pike	25.0	28.9	37.12
Columbia	50.0	35.6	27.27	Potter	25.0	10.8	45.74
Crawford	75.0	35.5	36.37	x Schuylkill	50.0	46.1	29.41
Cumberland	25.0	6.3	24.44	Snyder	75.0	18.1	32.20
Dauphin	100.0	54.2	29.02	x Somerset	50.0	44.8	28.88
rx Delaware	100.0	96.8	18.54	Sullivan	50.0	24.2	30.28
x Elk	20.0	18.4	43.96	x Susquehanna	50.0	47.3	26.13
Erie	40.0	8.2	28.90	Tioga	50.0	31.5	34.06
Fayette	35.0	10.5	52.76	Union	50.0	17.9	25.75
Forest	75.0	24.5	47.67	Venango	75.0	19.9	50.75
Franklin	40.0	6.9	26.81	Warren	50.0	37.2	28.97
Fulton	25.0	14.7	25.37	Washington	25.0	17.7	36.89
x Greene	30.0	26.1	44.32	Wayne	35.0	8.8	39.31
Huntingdon	40.0	17.5	38.17	Westmoreland	100.0	23.1	34.97
Indiana	75.0	15.0	39.13	Wyoming	50.0	28.2	33.68
Jefferson	30.0	19.4	39.02	x York	100.0	91.6	13.97
Juniata	75.0	13.2	43.03	Mean COD			

x CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

r Counties that have made a change in their assessments for 2000.

^ No traditional predetermined ratio.

STATE TAX EQUALIZATION BOARD

Pennsylvania

County Assessment Statistics for 1999

PDR= Predetermined Ratio CLR= Common Level Ratio COD= Coefficient of Dispersion PRD=Price Related Differential

COUNTY	PDR	CLR	COD	PDR	COUNTY	PDR	CLR	COD	PRD
Adams	50.0	38.4	21.32	20.49	Lackawanna	100.0	20.3	43.94	47.55
Allegheny	25.0	19.1	28.27	29.62	x Lancaster	100.0	93.3	11.72	11.50
x Armstrong	50.0	44.7	30.67	30.16	Lawrence	75.0	18.1	45.08	43.49
Beaver	50.0	35.4	30.48	35.18	Lebanon	50.0	9.2	26.73	27.80
Bedford	35.0	9.1	47.25	46.46	x Lehigh	50.0	48.6	22.67	21.71
x Berks	100.0	96.1	16.07	15.77	Luzerne	^	7.6	40.78	42.20
Blair	75.0	10.7	31.58	32.57	x Lycoming	75.0	67.7	17.56	13.70
x Bradford	50.0	47.0	23.14	22.23	x McKean	25.0	23.8	9.95	15.71
Bucks	25.0	4.4	17.27	19.02	Mercer	33.3	10.1	41.58	39.78
Butler	75.0	12.4	28.54	26.94	x Mifflin	50.0	53.4	19.88	21.28
Cambria	50.0	17.3	48.38	48.33	x Monroe	25.0	23.4	30.42	31.76
Cameron	50.0	37.2	32.58	37.88	Montgomery	100.0	93.6	13.70	14.99
Carbon	40.0	8.9	41.12	44.60	Montour	75.0	9.6	31.66	35.10
Centre	50.0	43.4	15.27	16.91	x Northampton	50.0	48.5	20.39	20.23
x Chester	100.0	89.8	10.85	12.27	Northumberland	25.0	6.9	45.07	43.52
Clarion	75.0	23.8	37.89	37.84	Perry	75.0	13.6	29.70	37.44
x Clearfield	25.0	21.4	40.84	42.67	x Philadelphia	32.0	29.2	32.75	35.33
Clinton	60.0	29.5	32.84	36.56	x Pike	25.0	30.7	36.25	37.12
Columbia	50.0	36.5	28.54	27.27	Potter	25.0	11.1	42.52	45.74
Crawford	75.0	38.0	36.19	36.37	x Schuylkill	50.0	45.7	27.68	29.41
Cumberland	25.0	6.4	25.0	24.44	Snyder	75.0	18.8	31.48	32.20
Dauphin	100.0	53.6	27.03	29.02	x Somerset	50.0	45.3	29.31	28.88
Delaware	100.0	96.8	36.56	18.54	Sullivan	50.0	27.5	22.90	30.28
x Elk	20.0	19.1	46.91	43.96	x Susquehanna	50.0	47.8	25.41	26.13
Erie	40.0	8.4	29.04	28.90	Tioga	50.0	33.2	34.81	34.06
Fayette	35.0	10.3	48.83	52.76	Union	50.0	18.2	27.08	25.75
Forest	75.0	28.0	47.53	47.67	Venango	75.0	18.2	46.42	50.75
Franklin	40.0	7.0	27.28	26.81	Warren	50.0	39.0	29.64	28.97
Fulton	25.0	15.5	27.22	25.37	Washington	25.0	18.6	35.05	36.89
x Greene	30.0	28.1	45.05	44.32	Wayne	35.0	8.6	39.18	39.31
Huntingdon	40.0	19.5	41.48	38.17	Westmoreland	100.0	23.7	34.64	34.97
Indiana	75.0	15.2	38.28	39.13	Wyoming	50.0	29.5	33.05	33.68
Jefferson	30.0	20.1	43.53	39.02	x York	100.0	94.0	18.41	13.97
Juniata	75.0	14.3	39.65	43.03	Mean COD				

x CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

r Counties that have made a change in their assessments for 1999.

^ No traditional predetermined ratio.

STATE TAX EQUALIZATION BOARD

Pennsylvania

County Assessment Statistics for 1998

PDR= Predetermined Ratio

CLR= Common Level Ratio

COD= Coefficient of Dispersion

COUNTY	PDR	CLR	COD	COUNTY	PDR	CLR	COD
Adams	50.0	39.5	21.7	Lackawanna	100.0	21.2	45.5
Allegheny	25.0	19.8	27.7	x Lancaster	100.0	95.6	11.4
x Armstrong	50.0	49.0	34.5	Lawrence	60.0	15.8	45.9
Beaver	50.0	38.9	38.3	Lebanon	50.0	9.2	28.3
Bedford	35.0	9.2	44.7	x Lehigh	50.0	49.3	21.8
x Berks	100.0	96.3	15.0	Luzerne	^	7.5	41.6
Blair	75.0	11.1	31.0	x r Lycoming	75.0	69.9	16.4
Bradford	50.0	42.2	28.9	r McKean	25.0	25.5	20.5
Bucks	25.0	4.6	16.1	Mercer	33.3	10.7	44.7
Butler	75.0	13.1	29.5	Mifflin	50.0	11.1	32.4
Cambria	50.0	17.8	46.7	x Monroe	25.0	23.7	29.0
Cameron	50.0	40.2	37.8	x r Montgomery	100.0	96.4	13.6
Carbon	40.0	8.4	43.1	Montour	75.0	10.1	31.5
x Centre	50.0	45.0	16.6	x Northampton	50.0	50.0	21.1
r Chester	100.0	93.4	13.2	Northumberland	25.0	7.1	46.1
r Clarion	75.0	23.7	38.2	r Perry	75.0	13.1	31.8
x Clearfield	25.0	22.0	40.3	x Philadelphia	32.0	30.0	34.0
Clinton	60.0	32.5	36.8	Pike	25.0	32.8	38.7
Columbia	50.0	37.1	27.6	Potter	25.0	12.8	42.1
Crawford	75.0	41.2	39.0	x Schuylkill	50.0	45.5	33.5
Cumberland	25.0	6.6	25.5	Snyder	75.0	19.1	31.4
Dauphin	100.0	54.4	27.3	x r Somerset	50.0	46.8	27.4
Delaware	^	3.2	35.0	Sullivan	50.0	28.5	27.1
x Elk	20.0	17.2	43.1	x Susquehanna	50.0	49.2	27.3
Erie	40.0	8.5	27.5	Tioga	50.0	34.8	36.6
Fayette	35.0	10.6	48.5	Union	50.0	18.5	26.0
Forest	75.0	29.7	50.8	Venango	75.0	19.7	46.2
Franklin	40.0	7.3	26.0	Warren	50.0	41.6	31.0
Fulton	25.0	17.6	27.8	Washington	25.0	19.4	35.4
x Greene	30.0	27.7	39.3	Wayne	35.0	8.8	38.2
Huntingdon	40.0	20.5	37.7	Westmoreland	100.0	26.0	35.4
r Indiana	75.0	16.7	40.4	Wyoming	50.0	28.3	29.1
Jefferson	30.0	20.4	44.8	x r York	100.0	94.6	12.4
Juniata	75.0	14.1	40.4	Mean COD			

x CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

r Counties that have made a change in their assessments for 1998.

^ No traditional predetermined ratio.

Pennsylvania

County Assessment Statistics for 1997

PDR = Predetermined Ratio, CLR = Common Level Ratio,
 CCD = Coefficient of Dispersion, PRD = Price Related Differential*

COUNTY	PDR	CLR	COD	PRD	COUNTY	PDR	CLR	COD	PRD
Adams	50.0	41.1	20	1.03	Lackawanna	100.0	20.0	43	1.08
Allegheny	25.0	20.3	29	1.10	+Lancaster [§]	100.0	97.6	11	1.01
+Armstrong [§]	50.0	50.7	31	1.14	Lawrence	60.0	15.7	43	1.22
Beaver	50.0	38.7	34	1.19	Lebanon	50.0	9.5	26	1.00
Bedford	35.0	10.1	47	1.32	+Lehigh	50.0	50.6	22	1.05
+Berks	100.0	97.7	19	1.07	Luzerne	Δ	7.5	39	1.09
Blair	75.0	11.8	30	1.02	Lycoming	75.0	53.6	27	1.05
+Bradford	50.0	43.4	28	1.07	McKean	25.0	14.8	42	1.24
Bucks	25.0	4.8	17	1.04	Mercer	33.3	11.4	43	1.25
Butler	75.0	13.3	30	1.07	Mifflin	50.0	12.0	32	1.05
Cambria	50.0	17.5	45	1.21	+Monroe	25.0	23.9	29	1.09
Cameron	50.0	38.3	34	1.08	Montgomery	17.0	5.4	19	1.08
Carbon	40.0	9.2	42	1.15	Montour	75.0	10.9	30	0.87
+Centre	50.0	46.6	18	1.09	+Northampton	50.0	53.5	23	1.09
Chester	33.3	6.2	23	1.03	Northumberland	25.0	7.0	44	1.19
Clarion	33.3	10.8	36	1.13	Perry [§]	75.0	10.0	32	1.06
+Clearfield	25.0	22.3	39	1.13	+Philadelphia	32.0	28.9	34	1.13
Clinton	60.0	36.7	34	1.11	Pike	25.0	31.4	36	1.22
Columbia	50.0	39.1	27	1.03	Potter	25.0	13.3	41	1.25
Crawford	75.0	45.2	40	1.15	+Schuylkill [§]	50.0	46.3	26	1.06
Cumberland	25.0	6.8	25	0.98	Snyder [§]	75.0	19.6	32	1.05
Dauphin	100.0	56.1	27	1.01	Somerset	35.0	12.3	49	1.26
Delaware	Δ	3.3	36	1.20	Sullivan	50.0	31.7	31	1.11
+Elk	20.0	19.0	44	1.24	+Susquehanna	50.0	50.9	27	1.05
Erie	40.0	8.9	29	1.11	Tioga	50.0	37.2	35	1.15
Fayette	35.0	11.0	48	1.21	Union	50.0	20.8	35	1.17
Forest	75.0	30.7	51	1.49	Venango	75.0	20.3	45	1.25
Franklin	40.0	7.4	25	1.02	+Warren	50.0	43.3	33	1.16
Fulton	25.0	18.2	32	1.10	Washington	25.0	19.3	38	1.15
+Greene	33.3	29.5	43	1.31	Wayne	35.0	9.5	40	1.21
Huntingdon	40.0	21.8	40	1.20	Westmoreland	100.0	26.7	36	1.16
Indiana	45.0	10.9	40	1.19	Wyoming [§]	50.0	29.8	29	1.07
Jefferson	30.0	20.5	40	1.13	York	100.0	70.0	20	1.02
Juniata	75.0	15.8	42	1.04	Mean COD			33	

- ❖ County Assessment/Sales data were obtained from the Pennsylvania State Tax Equalization Board (STEB).
- * For interpretation, see **Standard on Ratio Studies, 1990**, by the International Association of Assessing Officers.
- + CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.
- § Counties that have made a change in their assessments for 1997.
- Δ No traditional predetermined ratio.

Source: Environmental Resources Research Institute (ERRI), Penn State University, University Park, PA 16802.
 Richard D. Twark, Ph.D., Department of Management Science and Information Systems (FAX 814-865-3378).

ERRI will not be producing County Assessment Statistics next year. STEB will very likely have this information available.

ATTACHMENT 1

Pennsylvania

County Assessment[Ⓡ] Statistics for 1996

PDR = Predetermined Ratio, CLR = Common Level Ratio,
COD = Coefficient of Dispersion, PRD = Price Related Differential❖

COUNTY	PDR	CLR	COD	PRD	COUNTY	PDR	CLR	COD	PRD
Adams	50.0	40.9	23	1.04	Lackawanna	100.0	20.7	44	1.15
Allegheny	25.0	20.5	29	1.07	Lancaster	100.0	16.2	19	1.00
Armstrong	75.0	13.7	43	1.26	Lawrence	60.0	16.0	43	1.14
Beaver	50.0	40.9	36	1.22	Lebanon	50.0	9.4	25	1.00
Bedford	35.0	9.8	43	1.11	+Lehigh	50.0	52.9	24	1.06
+Berks	100.0	100.2	17	1.05	Luzerne	Δ	7.4	38	1.08
Blair	75.0	12.5	33	1.05	Lycoming	75.0	53.6	27	1.07
+Bradford	50.0	45.2	31	1.11	McKean	25.0	15.8	44	1.22
Bucks	25.0	4.9	17	1.06	Mercer	33.3	12.0	42	1.29
Butler	75.0	13.8	31	1.11	Mifflin	50.0	13.9	39	1.14
Cambria	50.0	18.2	47	1.23	+Monroe	25.0	23.3	29	1.06
Cameron	50.0	42.0	39	1.15	Montgomery	17.0	5.3	18	1.06
Carbon	40.0	8.7	41	1.13	Montour	75.0	10.2	35	1.04
+Centre	50.0	47.8	19	1.05	+Northampton	50.0	55.9	25	1.11
Chester	33.3	6.2	23	1.03	Northumberland	25.0	6.9	42	1.21
Clarion	33.3	11.0	34	1.12	Perry	50.0	9.9	38	1.05
+Clearfield	25.0	22.8	39	1.19	+Philadelphia	32.0	30.3	36	1.19
Clinton	60.0	33.5	34	1.11	Pike	25.0	30.3	34	1.15
Columbia	50.0	38.9	27	1.04	Potter	25.0	13.5	44	1.32
Crawford	75.0	46.2	38	1.12	Schuylkill	75.0	14.2	44	1.18
Cumberland	25.0	7.0	23	0.97	Snyder	25.0	6.2	29	1.07
Dauphin	100.0	57.7	26	1.03	Somerset	35.0	10.9	43	1.20
Delaware	Δ	3.2	33	1.16	Sullivan	50.0	35.6	29	1.10
+Elk	20.0	19.0	44	1.25	+Susquehanna	50.0	52.3	31	1.10
Erie	40.0	8.7	28	1.08	Tioga	50.0	36.9	36	1.15
Fayette	35.0	11.8	49	1.36	Union	50.0	20.5	34	1.11
Forest	75.0	32.1	48	1.35	Venango	75.0	22.1	44	1.25
Franklin	40.0	7.4	26	1.01	+Warren	50.0	45.1	32	1.17
Fulton	25.0	20.8	38	1.19	+Washington	25.0	22.1	22	1.09
+Greene	33.3	32.1	44	1.35	Wayne	35.0	9.5	41	1.19
Huntingdon	40.0	22.1	39	1.20	Westmoreland	100.0	28.5	34	1.16
Indiana	45.0	11.1	38	1.15	Wyoming	20.0	12.2	31	1.07
Jefferson	30.0	21.2	43	1.17	York	100.0	69.6	19	1.00
Juniata	75.0	15.2	42	1.03	Mean COD			34	

Ⓡ County Assessment/Sales data were obtained from the Pennsylvania State Tax Equalization Board (STEB).

❖ See **Standard on Ratio Studies, 1990**, by International Association of Assessing Officers.

+ CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

Δ No traditional predetermined ratio.

Source: Environmental Resources Research Institute (ERRI), Penn State University, University Park, PA 16802.
Richard D. Twark, Ph.D., Department of Management Science and Information Systems (FAX 814-865-3378).

Pennsylvania

County Assessment^{PB} Statistics for 1995

PDR = Predetermined Ratio. CLR = Common Level Ratio.
 COD = Coefficient of Dispersion. PRD = Price Related Differential[❖]

COUNTY	PDR	CLR	COD	PRD	COUNTY	PDR	CLR	COD	PRD
Adams	50.0	41.9	21	1.05	Lackawanna	100.0	22.4	46	1.19
Allegheny	25.0	21.2	28	1.12	Lancaster	100.0	16.6	21	0.99
Armstrong	75.0	15.1	48	1.32	Lawrence	60.0	17.7	43	1.17
Beaver	50.0	41.7	37	1.23	Lebanon	50.0	9.6	27	1.01
Bedford	35.0	10.2	47	1.24	+Lehigh	50.0	53.0	25	1.04
+Berk	100.0	102.5	19	1.05	Luzerne	Δ	7.5	39	1.12
Blair	75.0	13.4	33	1.04	Lycoming	75.0	55.0	25	1.04
+Bradford	50.0	43.9	28	1.04	McKean	25.0	16.4	43	1.24
Bucks	25.0	4.9	18	1.03	Mercer	33.3	12.8	44	1.33
Butler	75.0	14.2	32	1.14	Mifflin	50.0	12.9	34	1.10
Cambria	50.0	18.9	46	1.27	+Monroe	25.0	22.3	26	1.06
+Cameron	50.0	43.5	35	1.19	Montgomery	17.0	5.4	18	1.04
Carbon	40.0	8.5	39	1.11	Montour	75.0	10.6	35	0.95
+Centre ^δ	50.0	49.9	19	1.12	+Northampton ^δ	50.0	53.8	23	1.08
Chester	33.3	6.3	24	1.06	Northumberland	25.0	7.4	45	1.21
Clarion	33.3	13.8	44	1.24	Perry	50.0	9.4	40	1.01
+Clearfield	25.0	23.2	38	1.17	+Philadelphia	32.0	29.8	35	1.15
Clinton	60.0	36.0	37	1.15	Pike	25.0	36.5	41	1.27
Columbia	50.0	40.1	28	1.07	Potter	25.0	14.5	45	1.39
Crawford	75.0	48.5	38	1.12	Schuylkill	75.0	14.9	44	1.18
Cumberland	25.0	7.0	25	0.97	Snyder	25.0	6.4	31	1.00
Dauphin	100.0	60.0	27	1.02	Somerset	35.0	11.8	41	1.16
Delaware	Δ	3.3	36	1.16	Sullivan	50.0	34.7	32	1.10
+Elk	20.0	21.4	45	1.19	+Susquehanna	50.0	50.3	24	1.07
Erie	40.0	9.4	30	1.11	Tioga	50.0	38.7	34	1.14
Fayette	35.0	12.5	51	1.36	Union	50.0	21.6	35	1.14
Forest	75.0	32.4	47	1.29	Venango	75.0	22.7	46	1.30
Franklin	40.0	7.2	29	1.00	+Warren	50.0	45.4	29	1.14
Fulton	25.0	19.8	24	1.12	+Washington	25.0	21.8	21	1.07
+Greene	33.3	31.9	38	1.22	Wayne	35.0	9.6	42	1.14
Huntingdon	40.0	22.8	39	1.23	Westmoreland	100.0	30.8	38	1.18
Indiana	45.0	11.8	39	1.14	Wyoming	20.0	12.4	31	1.09
Jefferson	30.0	22.2	40	1.15	York	100.0	72.5	18	1.02
Juniata	75.0	16.5	40	1.08	Mean COD			34	

^{PB} County Assessment/Sales data were obtained from the Pennsylvania State Tax Equalization Board (STEB).

❖ See **Standard on Ratio Studies, 1990**, by International Association of Assessing Officers.

+ CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

δ Counties that have made a change in their assessments for 1995.

Δ No traditional predetermined ratio.

Source: Environmental Resources Research Institute (ERRI), Penn State University, University Park, PA 16802.
 Richard D. Twark, Ph.D., Department of Management Science and Information Systems (FAX 814-865-3378).

Pennsylvania County Assessment ★ Statistics for 1994

PDR = Predetermined Ratio, CLR = Common Level Ratio,
COD = Coefficient of Dispersion, PRD = Price Related Differential❖

County	PDR	CLR	COD	PRD	County	PDR	CLR	COD	PRD
Adams	50.0	41.2	21	1.04	Lackawanna	100.0	22.8	46	1.18
+ Allegheny ^δ	25.0	21.3	27	1.09	Lancaster	100.0	16.9	20	0.99
Armstrong	75.0	18.2	51	1.30	Lawrence	60.0	18.8	44	1.19
+ Beaver	50.0	43.2	35	1.21	Lebanon	50.0	9.6	27	1.02
Bedford	35.0	10.7	42	1.24	+ Lehigh	50.0	50.1	21	1.02
+ Berks ^δ	100.0	106.7	24	1.09	Luzerne	Δ	7.8	38	1.05
Blair	75.0	13.8	35	1.03	Lycoming	75.0	55.7	26	1.06
+ Bradford	50.0	43.9	28	1.10	McKean	25.0	16.0	40	1.22
Bucks	25.0	5.0	17	1.07	Mercer	33.3	13.4	42	1.29
Butler	75.0	14.5	33	1.08	Mifflin	50.0	12.4	33	1.12
Cambria	50.0	20.0	46	1.27	+ Monroe	25.0	21.9	26	1.05
+ Cameron	50.0	49.5	40	1.21	Montgomery	17.0	5.3	18	1.04
Carbon	40.0	8.6	40	1.15	Montour ^δ	75.0	10.5	32	1.02
Centre	20.0	5.6	24	1.03	+ Northampton	50.0	55.6	25	1.10
Chester	33.3	6.3	24	1.02	Northumberland	25.0	7.6	46	1.20
Clarion	33.3	13.4	38	1.10	Perry	50.0	10.5	40	1.05
+ Clearfield	25.0	25.5	40	1.22	+ Philadelphia	32.0	28.7	36	1.20
Clinton	60.0	37.5	35	1.17	Pike	25.0	34.2	40	1.24
Columbia	50.0	41.3	30	1.06	Potter	25.0	14.1	41	1.22
Crawford	75.0	51.7	38	1.09	Schuylkill	75.0	15.4	46	1.19
Cumberland	25.0	7.3	24	0.98	Snyder	25.0	6.8	31	1.14
Dauphin	100.0	61.5	26	1.01	Somerset	35.0	11.9	41	1.17
Delaware	Δ	3.1	32	1.14	Sullivan	50.0	37.0	34	1.12
+ Elk	20.0	21.7	45	1.41	+ Susquehanna ^δ	50.0	51.7	25	1.09
Erie	40.0	9.7	30	1.08	Tioga	50.0	37.4	32	1.11
Fayette	35.0	13.7	51	1.30	Union	50.0	22.1	39	1.16
Forest	75.0	38.9	49	1.41	Venango	75.0	22.9	44	1.16
Franklin	40.0	7.0	30	0.97	+ Warren	50.0	45.6	31	1.19
Fulton	25.0	20.0	24	1.10	+ Washington	25.0	22.1	32	1.15
+ Greene	33.3	31.9	40	1.22	Wayne	35.0	10.1	43	1.29
Huntingdon	40.0	22.8	40	1.18	Westmoreland	100.0	31.0	37	1.16
Indiana	45.0	13.0	42	1.22	Wyoming	20.0	13.0	33	1.12
Jefferson	30.0	25.0	41	1.16	York	100.0	72.4	16	1.01
Juniata	75.0	17.4	38	1.10	Mean COD			34	

- ★ County Assessment/Sales data were obtained from the Pennsylvania State Tax Equalization Board (STEB).
❖ See Standard on Ratio Studies, 1990, by International Association of Assessing Officers.
+ CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.
^δ Counties that have made a change in their assessments for 1994.
Δ No traditional predetermined ratio.

Source: Environmental Resources Research Institute (ERRI), Penn State University, University Park, PA 16802.
Richard D. Twark, Ph.D., Department of Management Science and Information Systems (FAX 814-865-3378).

Pennsylvania **County Assessment Statistics for 1993**

PDR = Predetermined Ratio, CLR = Common Level Ratio,
COD = Coefficient of Dispersion, PRD = Price Related Differential*

County	PDR	CLR	COD	PRD	County	PDR	CLR	COD	PRD
					Lackawanna	100.0	22.2	43	1.15
Adams	50.0	42.0	20	1.01	Lancaster	100.0	17.3	21	1.01
+Allegheny	25.0	22.0	24	1.06	Lawrence	60.0	20.9	45	1.27
Armstrong	75.0	18.9	50	1.40	Lebanon	50.0	9.6	27	1.00
+Beaver	50.0	44.0	35	1.20	+Lehigh	50.0	50.3	22	1.01
Bedford	35.0	10.4	44	1.19	Luzerne	Δ	7.7	38	1.09
Berks	33.0	6.8	29	1.06	Lycoming	75.0	57.9	24	1.06
Blair	75.0	14.8	32	1.05	McKean	25.0	17.3	40	1.23
+Bradford	50.0	48.6	33	1.17	Mercer	33.3	14.4	44	1.26
Bucks	25.0	5.0	17	1.02	Mifflin	50.0	12.9	30	1.07
Butler	75.0	13.9	36	1.06	+Monroe	25.0	21.3	28	1.06
Cambria	50.0	19.7	43	1.13	Montgomery	17.0	5.4	18	1.04
+Cameron	50.0	51.3	36	1.16	Montour	50.0	8.0	32	0.99
Carbon	40.0	8.5	41	1.13	+Northampton	50.0	53.3	28	1.11
Centre	20.0	5.9	24	1.03	Northumberland	25.0	7.6	41	1.15
Chester	33.3	6.5	25	1.01	Perry	50.0	9.8	38	0.95
Clarion	33.3	14.1	43	0.99	+Philadelphia	32.0	28.6 [℞]	36	1.15
+Clearfield	25.0	25.2	39	1.16	Pike ^δ	25.0	34.7	42	1.25
Clinton	60.0	37.6	33	1.13	Potter	25.0	13.7	41	1.19
+Columbia	50.0	43.5	26	1.05	Schuylkill	75.0	15.5	46	1.21
Crawford	75.0	50.9	39	1.07	Snyder	25.0	6.9	30	1.04
Cumberland	25.0	7.5	25	0.97	Somerset	35.0	11.4	32	1.11
Dauphin	100.0	66.1	29	1.04	Sullivan	50.0	33.4	37	1.17
Delaware	Δ	3.1	30	1.11	Susquehanna	50.0	10.5	35	1.10
+Elk	20.0	21.8	43	1.25	Tioga	50.0	39.8	34	1.12
Erie	40.0	9.9	27	1.07	Union ^δ	50.0	22.9	38	1.05
Fayette	35.0	13.6	49	1.32	Venango	75.0	23.5	42	1.17
Forest	75.0	37.7	46	1.41	+Warren	50.0	47.3	18	1.06
Franklin	40.0	7.3	31	0.97	+Washington	25.0	22.6	14	1.03
Fulton	25.0	20.2	29	1.09	Wayne	35.0	10.7	48	1.37
+Greene ^δ	33.3	36.9	44	1.29	Westmoreland	100.0	30.4	35	1.12
Huntingdon	40.0	26.3	40	1.23	Wyoming	20.0	12.2	32	1.08
Indiana	45.0	13.1	40	1.19	York	100.0	75.0	17	1.01
Jefferson	30.0	23.0	43	1.14	Mean COD			34	
Juniata ^δ	75.0	18.1	42	1.04					

* See Standard on Ratio Studies, 1990, by International Association of Assessing Officers.

+ CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

δ Counties that have made a change in their assessments for 1993.

Δ No traditional predetermined ratio.

℞ Revised by STEB due to Philadelphia clerical error.

Source: Environmental Resources Research Institute (ERRI), Penn State University, University Park, PA 16802.
Richard D. Twark, Ph.D., Department of Management Science and Information Systems.

Pennsylvania
County Assessment Statistics for 1992

PDR = Predetermined Ratio, CLR = Common Level Ratio,
COD = Coefficient of Dispersion, PRD = Price Related Differential**

County	PDR	CLR	COD	PRD	County	PDR	CLR	COD	PRD
+ Adams	50.0	43.9	7	1.01	Lackawanna	100.0	22.5	44	1.18
+ Allegheny ^δ	25.0	21.7	24	1.08	Lancaster	100.0	18.0	19	1.01
Armstrong	75.0	20.1	50	1.39	Lawrence	60.0	21.5	45	1.23
+ Beaver	50.0	46.3	34	1.21	Lebanon	50.0	9.9	27	1.00
Bedford	35.0	11.6	47	1.08	+ Lehigh	50.0	48.1	20	1.01
Berks	33.0	6.9	30	1.06	Luzerne	10.9	8.0	37	1.10
Blair	75.0	15.8	32	1.06	Lycoming	75.0	60.7	25	1.07
+ Bradford ^δ	50.0	50.6	37	1.17	McKean	25.0	19.5	44	1.22
Bucks	25.0	5.0	18	1.01	Mercer	33.3	15.0	41	1.28
Butler	75.0	14.5	34	1.04	Mifflin	50.0	14.0	31	1.08
Cambria	50.0	22.1	47	1.29	+ Monroe	25.0	21.5	29	1.05
+ Cameron	50.0	53.7	34	1.24	Montgomery	17.0	5.3	18	1.04
Carbon	40.0	8.4	42	1.11	Montour	50.0	7.9	30	1.06
Centre	20.0	6.0	21	1.03	+ Northampton	50.0	52.4	26	1.08
Chester	33.3	6.5	25	1.02	Northumberland	25.0	8.0	42	1.25
Clarion	33.3	16.1	46	1.31	Perry	50.0	11.1	39	1.02
+ Clearfield	25.0	25.7	37	1.12	+ Philadelphia	32.0	28.8	34	1.19
Clinton	60.0	40.4	33	1.13	Pike	35.0	27.5	45	1.33
+ Columbia ^δ	50	44.4	24	1.05	Potter	25.0	16.9	45	1.31
Crawford	75.0	54.3	39	1.11	Schuylkill	75.0	17.1	46	1.24
Cumberland	25.0	7.8	25	0.96	Snyder	25.0	7.8	31	1.07
Dauphin	100.0	65.1	26	1.02	Somerset	50.0	12.5	36	1.14
Delaware	3.7	3.1	30	1.11	Sullivan	50.0	31.9	32	1.03
Elk	20.0	25.4	44	1.25	Susquehanna	50.0	10.6	29	1.09
Erie	40.0	10.4	27	1.09	Tioga	50.0	38.4	29	1.07
Fayette	35.0	13.4	44	1.26	Union	25.0	12.4	36	1.14
Forest	75.0	42.1	44	1.31	Venango	75.0	25.5	44	1.14
Franklin	40.0	7.5	29	0.97	+ Warren	50.0	45.3	13	1.03
+ Fulton	25.0	21.6	29	1.09	+ Washington	25.0	22.4	29	1.13
Greene	30.0	19.4	46	1.29	Wayne	35.0	10.7	51	1.45
Huntingdon	40.0	26.6	41	1.26	Westmoreland	100.0	32.9	35	1.14
Indiana	45.0	13.2	38	1.17	Wyoming	20.0	14.0	34	1.18
+ Jefferson	30.0	25.5	43	1.24	York	100.0	76.6	20	1.03
Juniata	50.0	12.0	39	1.03	Mean COD			34	

* See International Association of Assessing Officers, **Standard on Ratio Studies**, 1990.

+ CLR is within 15% tolerance of PDR as specified by Act 267-273 of 1982.

δ Counties that have made a change in their assessments for 1992.

Source: Environmental Resources Research Institute (ERRI), Penn State University, University Park, PA, 16802.
Richard D. Twark, Ph.D., Department of Management Sciences and Information Systems.

Assessment Statistics for Counties for the Year 1991

(Predetermined Ratio = PDR, Common Level Ratio = CLR,
Coefficient of Dispersion = COD)

County	PDR	CLR	COD	County	PDR	CLR	COD
Adams @	50.0	46.6	8	*Lackawanna	100.0	23.5	45
Allegheny	25.0	21.5	20	*Lancaster	100.0	18.2	19
*Armstrong	75.0	22.0	48	*Lawrence	60.0	23.4	45
Beaver	50.0	49.3	34	*Lebanon	50.0	10.0	27
*Bedford	35.0	9.5	50	Lehigh @	50.0	47.4	15
*Berks	33.0	7.1	32	*Luzerne	10.9	8.2	39
*Blair	75.0	16.4	32	*Lycoming	75.0	62.5	24
*Bradford	25.0	13.1	37	*McKean	25.0	19.3	44
*Bucks	25.0	5.2	21	*Mercer	33.3	16.1	43
*Butler	75.0	15.7	33	*Mifflin	50.0	16.4	35
*Cambria	50.0	21.3	43	*Monroe	25.0	20.3	29
Cameron	50.0	55.9	42	*Montgomery	17.0	5.3	17
*Carbon	40.0	7.7	39	*Montour	50.0	8.3	32
*Centre	20.0	6.1	21	Northampton @	50.0	51.7	27
*Chester	33.3	6.6	25	*Northumberland	25.0	8.5	43
*Clarion	33.3	16.5	44	*Perry	50.0	11.6	39
Clearfield	25.0	26.5	36	Philadelphia	32.0	28.4	34
*Clinton	60.0	43.0	32	*Pike	35.0	28.0	44
*Columbia	33.3	5.9	32	*Potter	25.0	17.2	45
*Crawford	75.0	56.0	40	*Schuylkill	75.0	16.1	47
*Cumberland	25.0	8.0	25	*Snyder	25.0	7.9	32
*Dauphin	100.0	66.5	28	*Somerset	35.0	14.0	41
Delaware	3.7	3.2	31	*Sullivan	50.0	35.3	35
*Elk	20.0	27.5	47	*Susquehanna	50.0	10.4	26
*Erie	40.0	10.6	27	50.0	40.4	32	
*Fayette	35.0	13.8	45	*Tioga	50.0	40.4	32
*Forest	75.0	41.5	47	*Union	25.0	13.2	41
*Franklin	40.0	7.8	28	*Venango	75.0	24.1	43
Fulton	25.0	24.6	18	Warren	50.0	46.6	20
*Greene	30.0	19.2	42	Washington	25.0	26.6	28
*Huntingdon	40.0	27.9	38	*Wayne	35.0	10.5	52
*Indiana	45.0	14.1	42	*Westmoreland	100.0	34.9	36
*Jefferson	30.0	25.3	45	*Wyoming	33.3	13.8	37
*Juniata	50.0	12.8	40	*York	100.0	77.8	22
				Mean			35

*Not within 15% tolerance as specified by Act 267-273 of 1982.
@Counties that have made a change in their assessments for 1991.

Assessment Statistics for Counties for the Year 1990 (Predetermined Ratio =
PDR, Common Level Ratio - CLR, Coefficient of Dispersion - COD)

<u>County</u>	<u>PDR</u>	<u>CLR</u>	<u>COD</u>	<u>County</u>	<u>PDR</u>	<u>CLR</u>	<u>COD</u>
*Adams	40.0	8.2	45.8	*Lackawanna	100.0	24.9	47.7
@Allegheny	25.0	21.7	23.6	*Lancaster	100.0	18.2	19.3
*Armstrong	75.0	21.8	51.8	*Lawrence	60.0	23.9	44.7
Beaver	50.0	50.1	33.9	*Lebanon	50.0	10.7	31.3
@*Bedford	35.0	9.4	47.2	*Lehigh	50.0	11.9	23.4
*Berks	35.0	6.9	31.4	*Luzerne	35 11.8 11.8	8.7	39.1
*Blair	75.0	16.7	31.7	*Lycoming	75.0	60.1	19.3
*Bradford	25.0	13.8	38.8	*McKean	25.0	19.4	43.1
*Bucks	25.0	5.1	22.5	*Mercer	33.3	16.4	41.2
*Butler	75.0	17.4	37.1	*Mifflin	50.0	16.5	37.1
*Cambria	50.0	22.9	43.7	*Monroe	25.0	20.1	38.3
Cameron	50.0	52.2	40.4	*Montgomery	17.0	5.3	19.6
*Carbon	40.0	8.3	41.7	*Montour	50.0	7.8	29.7
*Centre	20.0	6.2	21.3	*Northampt.	50.0	8.5	32.9
*Chester	33.3	6.4	26.8	*Northumbe.	25.0	8.6	41.3
*Clarion	33.3	17.8	50.1	*Perry	50.0	11.7	38.6
Clearfield	25.0	27.7	37.0	@Phila.	32.0	27.8	35.3
*Clinton	60.0	43.5	32.2	@*Pike	35.0	28.1	47.6
*Columbia	33.3	6.1	33.0	*Potter	25.0	17.1	45.6
*Crawford	75.0	58.7	38.8	*Schuylkill	75.0	17.7	49.7
*Cumberland	25.0	8.1	25.8	*Snyder	25.0	7.9	32.1
*Dauphin	100.0	67.7	28.8	*Somerset	35.0	15.1	44.0
Delaware	3.7	3.3	35.1	*Sullivan	50.0	30.9	33.3
*Elk	20.0	28.4	45.6	*Susquehan.	50.0	11.4	29.2
*Erie	40.0	11.1	27.4	@*Tioga	50.0	41.1	31.0
*Fayette	35.0	13.9	46.5	*Union	25.0	13.3	37.6
*Forest	75.0	42.4	47.4	*Venango	75.0	25.0	43.2
*Franklin	40.0	8.3	28.2	Warren	50.0	48.0	19.8
@Fulton	25.0	26.4	18.1	Washington	25.0	25.8	24.2
*Greene	30.0	18.4	42.4	*Wayne	35.0	10.7	53.5
*Huntingdon	40.0	29.1	41.7	*Westmore.	100.0	36.4	35.0
*Indiana	45.0	13.1	35.4	*Wyoming	33.3	15.2	40.6
Jefferson	30.0	27.2	43.6	*York	100.0	81.0	17.6
*Juniata	50.0	14.0	46.3	Mean			

*Not within 15% tolerance as specified by Act 267-273 of 1982.
@Counties that have made a change in their assessments for 1987.

Assessment Statistics for Counties for the Year 1989 (Predetermined Ratio -
PDR, Common Level Ratio - CLR, Coefficient of Dispersion - COD)

<u>County</u>	<u>PDR</u>	<u>CLR</u>	<u>COD</u>	<u>County</u>	<u>PDR</u>	<u>CLR</u>	<u>COD</u>
*Adams	40.0	9.2	52.7	*Lackawanna	100.0	26.6	48.8
Allegheny	25.0	23.1	23.1	*Lancaster	100.0	18.3	19.3
*Armstrong	75.0	20.7	50.5	*Lawrence	60.0	24.7	45.6
Beaver	50.0	55.2	34.7	*Lebanon	50.0	11.2	30.2
*Bedford	25.0	9.3	49.1	*Lehigh	50.0	11.6	23.8
*Berks	35.0	7.0	32.3	*Luzerne	35.0	9.5	38.8
*Blair	75.0	16.9	31.3	@Lycoming	75.0	67.7	23.7
*Bradford	25.0	15.5	38.1	McKean	25.0	20.6	32.8
*Bucks	25.0	5.2	22.9	*Mercer	33.3	16.6	39.8
*Butler	75.0	18.8	37.8	*Mifflin	50.0	16.8	39.0
Cambria	50.0	24.7	43.2	@Monroe	25.0	20.5	39.4
*Cameron	50.0	53.9	33.3	*Montgomery	17.0	5.3	20.3
*Carbon	40.0	8.5	43.9	*Montour	50.0	8.9	30.8
*Centre	20.0	6.4	21.3	*Northampt.	50.0	8.1	33.1
*Chester	33.3	6.2	27.9	*Northumbe.	25.0	9.3	41.9
*Clarion	33.3	16.3	45.5	*Perry	50.0	12.1	38.6
@Clearfield	25.0	28.1	37.8	@Phila.	30.2	27.6	32.2
*Clinton	60.0	48.2	34.6	*Pike	33.3	9.8	51.3
*Columbia	33.3	7.1	36.0	*Potter	25.0	18.5	40.5
*Crawford	75.0	61.9	37.3	*Schuylkill	75.0	18.0	47.4
*Cumberland	25.0	8.3	27.3	*Snyder	25.0	8.6	33.4
*Dauphin	100.0	70.1	27.5	*Somerset	35.0	14.9	42.2
*Delaware	4.2	3.3	32.1	*Sullivan	50.0	36.1	34.3
*Elk	20.0	27.9	44.5	*Susquehan.	50.0	12.4	28.0
*Erie	40.0	11.5	26.9	*Tioga	50.0	14.1	47.0
*Fayette	35.0	14.1	44.9	*Union	25.0	15.2	44.3
*Forest	75.0	39.5	46.6	*Venango	75.0	24.8	43.6
*Franklin	40.0	9.0	27.3	@Warren	50.0	47.6	16.4
*Fulton	25.0	15.1	46.6	Washington	25.0	25.5	23.9
*Greene	30.0	21.3	44.5	*Wayne	35.0	10.8	54.6
*Huntingdon	40.0	29.2	38.1	*Westmore.	100.0	38.0	34.4
*Indiana	45.0	14.1	36.2	Wyoming	33.3	15.8	32.0
Jefferson	30.0	26.3	41.2	@*York	100.0	84.5	20.7
*Juniata	50.0	15.5	45.5	Mean			36.5

*Not within 15% tolerance as specified by Act 267-273 of 1982.
@Counties that have made a change in their assessments for 1988.

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Assessment Statistics for Counties for the Year 1988 (Predetermined Ratio -
PDR, Common Level Ratio - CLR, Coefficient of Dispersion - COD)

<u>County</u>	<u>PDR</u>	<u>CLR</u>	<u>COD</u>	<u>County</u>	<u>PDR</u>	<u>CLR</u>	<u>COD</u>
*Adams	40.0	11.0	53.8	*Lackawanna	100.0	29.9	45.9
@Allegheny	25.0	23.6	24.2	*Lancaster	100.0	20.9	20.1
*Armstrong	75.0	21.2	48.2	*Lawrence	60.0	27.2	45.6
Beaver	50.0	57.5	32.9	*Lebanon	50.0	12.1	28.2
*Bedford	25.0	9.4	50.0	*Lehigh	50.0	12.7	23.8
*Berks	35.0	7.6	32.9	*Luzerne	35.0	10.3	40.8
*Blair	75.0	18.4	32.5	*Lycoming	75.0	29.6	30.6
*Bradford	25.0	16.3	36.3	*McKean	25.0	22.4	43.6
*Bucks	25.0	5.6	26.6	*Mercer	33.3	18.7	42.4
*Butler	75.0	19.7	37.0	*Mifflin	50.0	17.5	37.0
*Cambria	50.0	24.2	42.2	*Monroe	25.0	11.6	51.4
*Cameron	50.0	57.8	35.9	*Montgomery	17.0	5.8	21.7
*Carbon	40.0	10.1	44.4	*Montour	50.0	9.4	33.9
*Centre	20.0	6.9	22.0	*Northampt.	50.0	8.4	34.4
*Chester	33.3	6.7	29.4	*Northumbe.	25.0	10.4	41.9
*Clarion	33.3	19.0	48.8	*Perry	50.0	12.2	37.5
*Clearfield	75.0	25.1	46.4	@Phila.	32.0	28.2	35.4
*Clinton	60.0	50.7	34.3	*Pike	33.3	11.7	52.4
*Columbia	33.3	7.7	32.8	*Potter	25.0	20.5	46.1
Crawford	75.0	68.2	37.2	*Schuylkill	75.0	21.0	47.2
*Cumberland	25.0	9.0	26.8	*Snyder	25.0	9.7	34.3
*Dauphin	100.0	73.4	27.2	*Somerset	35.0	15.7	41.0
*Delaware	4.9	3.7	33.9	*@Sullivan	50.0	41.2	34.7
*Elk	20.0	26.4	40.7	*Susquehan.	50.0	14.2	22.1
*Erie	40.0	12.2	27.7	*Tioga	50.0	15.7	46.3
*Fayette	35.0	14.4	44.6	*Union	25.0	15.2	36.4
*Forest	75.0	41.9	47.2	*Venango	75.0	25.0	45.4
*Franklin	40.0	9.8	27.5	Warren	50.0	44.1	35.4
*Fulton	25.0	16.0	49.6	Washington	25.0	26.8	No
*Greene	30.0	21.4	46.6	*Wayne	35.0	11.7	50.9
*Huntingdon	40.0	29.8	35.4	*Westmore.	100.0	39.2	34.9
*Indiana	45.0	14.6	39.7	*@Wyoming	33.3	17.8	38.9
Jefferson	30.0	26.5	42.1	*York	20.0	4.9	33.6
*Juniata	50.0	16.3	43.7	Mean			37.2

*Not within 15% tolerance as specified by Act 267-273 of 1982.
@Counties that have made a change in their assessments for 1987.

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