

Guidelines
for the
Establishment and Administration
of a
Pennsylvania
Local Economic Development Tax Assistance Program
[LERTA]

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Introduction

The Pennsylvania Local Economic Revitalization Tax Assistance Act [Act No. 1977-76 as amended] known by the acronym “LERTA”, authorizes local taxing authorities to exempt improvements to business properties in designated deteriorated areas from real property taxation for a period not to exceed 10 years on a schedule of up to 100% exemption annually.

LERTA offers a potentially viable and effective tool for local governments to revitalize economically deteriorated areas and to increase job opportunity as well as increasing tax revenues needed to fund government services and schools.

Included in this report are the procedures for establishing and administering a LERTA program, along with sample documents used in the implementation of LERTA in Lebanon County by Lebanon Valley Economic Development Corporation:

- 1. LERTA Procedures**
- 2. Steps in creating a LERTA Tax Incentive Program**
- 3. Application for Tax Exemption Form**
- 4. City Ordinance**
- 5. County Resolution**
- 6. School District Resolution**

LERTA PROCEDURES

GENERAL PROVISIONS

PURPOSE

The purpose of this program is to enable local taxing authorities to exempt improvements to deteriorated business property from property tax increase for a limited period of time.

AUTHORITY

The Act authorized local taxing authorities to exempt improvement to certain deteriorated industrial, commercial and other business property thereby implementing Article VIII. Section 2(b)(iii) of the Constitution of Pennsylvania.

DEFINITIONS

Act – LERTA

Deteriorated Area – An area, the boundaries of which are affixed by a municipal governing body or bodies, in which improvements to deteriorated property are eligible for tax exemptions

Deteriorated Property – Any industrial, commercial, or other business property owned by an individual, association or corporation, and located in a deteriorating area, as herein after provided, or any such property which has been the subject of an order by a government agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinance or regulations.

Improvement – Repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating a deteriorated property so that it becomes habitable or attains higher standards of safety, health, economic use or amenity, or is brought into compliance with laws, ordinances, or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed as improvement.

Local Taxing Authority- A county, city borough, incorporated town, township, institution district, or school district having authority to levy real estate property taxes.

Municipal Governing Body – A city, borough, township, or incorporated town.

Assessment Agency – Board of Assessment and revisions of taxes or other appropriate assessment agency.

MUNICIPAL GOVERNING BODY PROCEDURES

DETERIORATED AREA

Municipal governing bodies are authorized to affix the boundaries of a deteriorated area or areas, whole or partially located within their jurisdiction

PUBLIC HEARING

At least one public hearing shall be held by the municipal governing body for the purpose of determining deteriorated area boundaries. At the public hearing the local taxing authorities, planning commission or redevelopment authority and other public and private agencies and individuals, knowledgeable and interested in the improvement of deteriorated areas shall be given the opportunity to present their recommendations concerning the location of boundaries of a deteriorated area or areas.

CRITERIA

Municipal governing bodies shall take into account the following criteria when determining the boundaries of a deteriorated area or areas.

1. unsafe, unsanitary and overcrowded buildings
2. vacant, overgrown and unsightly lots of ground
3. a disproportionate number of tax delinquent properties
4. defective design or arrangement of building, street or lot layouts
5. economically and social undesirable land uses
6. high incidence of persistent, unemployment or underemployment
7. high incidence of dependence upon public assistance
8. high incidence of overcrowded, unsanitary or inadequate housing
9. high incidence of crime and delinquency
10. high incidence of rejection for selective service
11. high incidence of disease disability
12. high incidence of infant mortality
13. high incidence of school dropouts or other evidence of low educational attainment
14. other generally accepted indicators of widespread social problems or poverty conditions

UNIFORM MAXIMUM EXEMPTIONS

Municipal governing bodies are authorized to establish a maximum cost per unit to be exempted. Such maximum cost shall uniformly apply to all eligible deteriorated property within their jurisdiction.. If no maximum cost is established, tax exemption may be granted on the assessment attributable to the actual cost of improvement, regardless of the dollar amount.

ORDINANCE

Municipal governing bodies may adopt an ordinance designating the boundaries of deteriorated area or areas, and the maximum costs of improvements allowed for exemption purposes, if any.

LOCAL TAXING AUTHORITY PROCEDURE

ORDINANCE OR RESOLUTION ADOPTION

Each local taxing authority may by ordinance or resolution, exempt from real property taxation the assessed valuation of improvements to deteriorated properties in accordance with the established provisions and limitations

The ordinance or resolution shall specify a description of each deteriorated area as determined by the municipal governing body , as well s the cost of improvement per unit to be exempted and the schedule of taxes exempted.

UNIFORM MAXIMUM EXEMPTIONS

Local taxing authority granting a tax exemption pursuant to the provisions of the Act may provide for tax exemptions on the assessment attributable to the actual cost of improvements or up to any maximum cost uniformly established by the municipal governing body. Such maximum cost shall uniformly apply to all eligible deteriorated property within the local taxing authority jurisdiction.

EXEMPTION SCHEDULE

Whether or not the assessment eligible for exemption is based upon actual cost or a maximum cost, the actual amount of taxes exempted shall be in accordance with the schedule of taxes exempted established by a local taxing authority subject to the following limitations.

1. the length of the schedule of taxes exempted shall not exceed ten years
2. the schedule of taxes exempted shall stipulate the portion of improvements to be exempted each year
3. the exemption from taxes shall be limited to the additional assessment valuation attributable to the actual costs of improvements to deteriorated property or not in excess of the maximum cost per unit established by a municipal governing body.

EXEMPTION UPON PROPERTY

The exemption from taxes authorized by the act shall be upon the property exempted and shall not terminate upon the sale or exchange of the property

APPLICATION FORM

Each local taxing authority should adopt an exemption request form on which eligible persons can apply for tax exemption. A copy of each completed exemption request shall be forwarded to the assessment agency.

TAXPAYER PROCEDURE

OBTAINING EXEMPTION

Any person desiring tax exemption pursuant to ordinances or resolutions adopted pursuant to the Act, shall notify each local taxing authority granting such exemption in writing on a form provided by it submitted at the time he secures the building permit, or if no building permit or other notification of improvements is required, at the time he commences construction

IMPROVEMENT COMPLETION

Eligible taxpayers should notify the assessment agency upon completion of the improvements

RESASSESSMENT NOTIFICATION

After completing improvements, taxpayer(s) shall receive notice of the reassessment from the assessment agency and the assessment eligible for exemption

APPEALS

Appeals from the reassessment and the amounts eligible for exemption may be taken by the taxpayer as provided by law.

ASSESSMENT AGENCY PROCEDURE

EXEMPTION REQUEST

A copy of the exemption request shall be forwarded to the assessment agency by the local taxing authority

ASSESSMENT

The assessment agency shall, after completion of the improvement, assess separately the improvement and calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by the local taxing authorities and notify the taxpayer and the local taxing authorities of the reassessment and amounts of the assessment eligible for exemption.

APPEALS

Appeals from the reassessment and the amounts eligible for the exemption may be taken by the taxpayer or the local taxing authorities as provided by law.

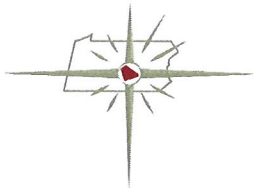
SUBSEQUENT AMENDMENTS

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



Creating A LERTA Tax Incentive Program

- Step 1.** Designate deteriorated areas – the areas eligible for tax incentives.
- Conduct at least one public hearing prior to adopting ordinance or resolution.
- Step 2.** Decide if the incentive will be calculated on actual total improvement cost or a maximum cost.
- Step 3.** Establish an exemption schedule including:
- Length of exemptions not to exceed 10 years
 - Portion exempted each year
- Step 4.** Print an application form to be submitted by property owners to apply for exemption.



LOCAL ECONOMY REVITALIZATION TAX ASSISTANCE ACT

APPLICATION FOR TAX EXEMPTION IN THE CITY OF LEBANON

1. Owner(s) of eligible property: _____
2. Location of property: _____ *(Attach parcel map)*
3. Description of new construction or improvements to be made: _____

4. Date building permit issued: _____
5. Estimated cost of new construction or improvements: \$ _____

Company Representative: _____
Name *Title*

Signature

Date

Applications must be submitted to the following local taxing authorities within thirty (60) days following issuance of building permit.

☐ City of Lebanon
ATTN: Mayor
400 South Eighth Street
Lebanon, PA 17046

☐ Lebanon School District
ATTN: Business Manager
1000 S 8th Street
Lebanon, PA 17042-7595

☐ Lebanon County
ATTN: County Administrator
Municipal Building
400 South 8th Street
Lebanon, PA 17042

City of _____,

Lebanon County, Pennsylvania

Bill No. _____ Sessions _____

AN ORDINANCE

OF THE CITY CITY COUNCIL, OF THE CITY OF _____, LEBANON COUNTY, PENNSYLVANIA, DESIGNATING AN AREA OF THIS CITY IN WHICH NEW CONSTRUCTION OF INDUSTRIAL, COMMERCIAL OR OTHER BUSINESS PROPERTY AND IMPROVEMENTS TO INDUSTRIAL, COMMERCIAL OR OTHER BUSINESS PROPERTY ARE ELIGIBLE FOR A TAX EXEMPTION PURSUANT TO THE LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT, AS AMENDED; PROVIDING FOR AN EXEMPTION ON THE ASSESSMENT ATTRIBUTABLE TO THE ACTUAL COST OF SUCH NEW CONSTRUCTION OR IMPROVEMENTS; PROVIDING FOR THE EFFECTIVENESS OF THIS ORDINANCE; AND REPEALING ALL PRIOR ORDINANCES OR PARTS OF ORDINANCES THAT ARE INCONSISTENT WITH THIS ORDINANCE.

WHEREAS, The Local Economic Revitalization Tax Assistance Act ("LERTA") authorizes local taxing authorities to exempt from real property taxation, within certain limitations, the assessed valuation of improvements to, and new construction of, industrial, commercial and other business property in areas designated for such purpose by the governing body of the appropriate city, borough, incorporated town or township; and

WHEREAS, The City Council of this city, being a "municipal governing body" within the meaning of LERTA, proposes to establish an area within the boundaries of this City as an area in which such tax exemption may be granted by the local taxing authorities; and

WHEREAS, The City Council of this City has held a public hearing for the purpose of determining the boundaries of the area to be designated a "deteriorated area: in which such exemptions may be granted by the local taxing authorities; and

WHEREAS, The City Council of the City, with due consideration having been given to the recommendations and comments made at such public hearing by the local taxing authorities and other knowledgeable and interested public and private agencies and individuals regarding the establishment of the boundaries of an area in the City within local taxing authorities may grant tax exemption to new construction of, and improvements to, industrial, commercial, and

other business property in accordance with LERTA, has determined that the area hereinafter designated meets one or more of the criteria of a “deteriorated area” under the Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, and it is enacted and ordained, by the City Council of the City of Lebanon.

ARTICLE I

Definitions

SECTION 1.01 Unless the context specifically and clearly indicates otherwise, the meaning of terms and phrases used in this Ordinance shall be as follows:

“Act” or “LERTA” shall mean Local Economic Revitalization Tax Assistance Act of the Commonwealth, Act No. 1977-76, as amended and supplemented;

“Commonwealth” mean the Commonwealth of Pennsylvania;

“County” shall mean the County of Lebanon, Pennsylvania, acting by and through its Board of County Commissioners, or, in appropriate cases, acting by and through its authorized representatives.

“Designated Area” shall mean the area within the City identified in Article II of this Ordinance;

“Eligible Property” shall mean any industrial, commercial or other business property located in the Designated Area;

“Improvement” shall mean repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating any industrial, commercial or other business property owned by any individual, association or corporation and located in the Designated Area; “Improvements” does not include any ordinary upkeep or maintenance;

“Local Taxing Authority” shall mean and include the City, the County and the School District;

“Person” shall mean any individual, partnership, company, association, society, trust, corporation, municipality, municipality authority or other group or entity;

“School District” shall mean the _____ School District, Lebanon County, Pennsylvania, acting by and through its Board of School Directors, or, in appropriate cases, acting by and through its authorized representatives; and

“City” shall mean the City of _____, Lebanon County, Pennsylvania, acting by and through its City Council or, in appropriate cases, acting by and through its authorized representatives.

ARTICLE II

DESIGNATED AREA

SECTION 2.01. This City does hereby designate the area located within the following boundaries as a “deteriorated area” within the meaning of the Act, and one in which the Local Taxing Authorities may grant a tax exemption pursuant to the provisions of the Act:

SECTION 2.02. Any discrepancy between the description of the Designated Area in this Article II and the area designated for the purposes of LERTA in the LERTA District Ordinance shall be resolved in favor of the LERTA District Ordinance, it being the intent of the Local Taxing Authority to grant exemption to all, new construction and Improvements to the Eligible Property within the area designated by the Municipality.

ARTICLE III

EXEMPTIONS

SECTION 3.01. There is hereby exempted from all real property taxation of this Local Taxing Authority that portion of the additional assessment attributable to the actual costs of new construction upon, or, Improvements to, Eligible Property for, which proper Application has been made in accordance with this Ordinance, subject to the limitations hereinafter set forth.

SECTION 3.02. The exemption authorized by this Ordinance shall be in accordance with the provisions and limitations hereinafter set forth.

SECTION 3.03. The schedule of real property taxes to be exempted shall be in accordance with the following percentage of the assessed valuation of new construction or Improvements to Eligible Property:

SECTION 3.04. A tax exemption granted under this Ordinance shall first apply in the tax year of this Local Taxing Authority immediately following the tax year in which the eligible new construction or Improvements is or are completed. Nothing in this Ordinance is intended to limit or prohibit, nor shall it be construed as limiting or prohibiting, the levy of interim real property taxes upon new construction or Improvements prior to completion thereof.

SECTION 3.05. A tax exemption granted under this Ordinance shall be upon the property exempted and shall not terminate upon the sale or exchange of the property.

SECTION 3.06. Any Person who is an owner of Eligible Property and who desires tax exemption pursuant to this Ordinance with respect to new construction or Improvements on an Eligible Property shall apply in writing for such exemption on a form to be provided by this Local Taxing Authority at the address set forth on such form, or if no address is set forth thereon, at the principal office of this Local Taxing Authority, and must be received by this Local Taxing Authority within sixty (60) days following the date of issuance of a building permit for the new construction or Improvements with respect to which exemption is desired or, if no building permit is required and no other notification of new construction or Improvements is required to be given to the City, within sixty (60) days following commencement of construction,

SECTION 3.07. This Local Taxing Body shall make available to any Person desiring to apply for a tax exemption in accordance with this Ordinance an application form (the "Application") which shall require such Person to supply the following information:

- i. The name of the owner or owners of the Eligible Property;
- ii. The location of the Eligible Property, including the tax parcel identification number or numbers assigned to such property for real property tax purposes;
- iii. The type of new construction or Improvements to be made on the Eligible Property;
- iv. The nature of the improvements to be made to the Eligible Property;
- v. The date on which the relevant building permit was issued or, if no building permit is required, the date on which construction commenced or the estimated date on which it shall commence, as appropriate;
- vi. The cost or estimated cost of the new construction or Improvements;

vii. Such additional information is this Local Taxing Authority may reasonably require.

SECTION 3.08. The Mayor or another appropriate official of this Local Taxing Authority shall forward a copy of such completed Application to the County and School District within sixty (60) days following the date on which such Application is filed with this Local Taxing Authority, together with a request or authorization to such board or other appropriate assessment agency that, following completion of the new construction or Improvements in accordance with LERTA and give appropriate notice to this Local Taxing Authority and the taxpayer.

SECTION 3.09. Appeals from the reassessment of an Eligible Property and the amounts eligible for exemption may be taken by the taxpayer or this Local Taxing Authority as provided by law.

SECTION 3.10. The cost of new construction or Improvements to be exempted and the schedule of taxes exempted at the time of an initial request for tax exemption made in accordance with the further provisions of the Ordinance shall be applicable to that exemption request, and any subsequent amendment to this Ordinance, if any, shall not apply to Applications filed with this Local Taxing Authority prior to their adoption.

ARTICLE IV

Effective Date

SECTION 4.01. This Ordinance shall become effective immediately.

ARTICLE V

Severability

SECTION 5.01. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of the Ordinance, it being the intent of the City that such remainder shall be and shall remain in full force and effect.

ARTICLE VI

Declaration of Purpose

SECTION 6.01. It is declared that enactment of the Ordinance and the provisions hereof are necessary for the protection, benefit and preservation of the health, safety and welfare of inhabitants of this City.

ARTICLE VII

Repealer

SECTION 7.01. All ordinances or parts of ordinances and all resolutions or parts of resolutions that are inconsistent with this Ordinance shall be and the same expressly are repealed.

**County of Lebanon,
Pennsylvania**

Resolution No. _____

A RESOLUTION

OF THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF LEBANON, PENNSYLVANIA, AUTHORIZING THE GRANTING OF TAX EXEMPTIONS ON THE ASSESSED VALUE OF CERTAIN IMPROVEMENTS AND NEW CONSTRUCTION TO INDUSTRIAL, COMMERCIAL AND OTHER BUSINESS PROPERTIES IN AN AREA OF THE CITY OF _____, LEBANON COUNTY, PENNSYLVANIA, PREVIOUSLY DESIGNATED FOR SUCH PURPOSE IN ACCORDANCE WITH THE LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT, AS AMENDED; AND REPEALING ALL PRIOR RESOLUTIONS OR PARTS OF RESOLUTIONS THAT ARE INCONSISTENT WITH THIS RESOLUTION.

WHEREAS, The Local Economic Revitalization Tax Assistance Act ("LERTA") authorizes local taxing authorities to exempt from real property taxation, within certain limitations, the assessed valuation of improvements to, and new construction of, industrial, commercial and other business property in areas designated for such purpose by the governing body of the appropriate city, borough, incorporated town or township; and

WHEREAS, The _____ of the _____ of _____, being a "municipal governing body" within the meaning of LERTA, established by resolution on _____, 20__ an area within the boundaries of this ___ as an area in which such tax exemption may be granted by the local taxing authorities; and

WHEREAS, This County (hereinafter referred to from time to time as "this Local Taxing Authority"), being a "local taxing authority" within the meaning of LERTA, in order to foster improvements and new construction in the designated area, desires to grant a tax exemption pursuant to the provisions of LERTA and in accordance with the LERTA District Resolution.

NOW, THEREFORE, BE IT RESOLVED By the Board of County Commissioners of this County as follows:

ARTICLE I

Definitions

SECTION 1.01 Unless the context specifically and clearly indicates otherwise, the meaning of terms and phrases used in this Resolution shall be as follows:

“Act” or “LERTA” shall mean Local Economic Revitalization Tax Assistance Act of the Commonwealth, Act No. 1977-76, as amended and supplemented;

“Commonwealth” mean the Commonwealth of Pennsylvania;

“County” shall mean the County of Lebanon, Pennsylvania, acting by and through its Board of County Commissioners, or, in appropriate cases, acting by and through its authorized representatives.

“Designated Area” shall mean the area within the _____ identified in Article II of this Ordinance;

“Eligible Property” shall mean any industrial, commercial or other business property located in the Designated Area;

“Improvement” shall mean repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating any industrial, commercial or other business property owned by any individual, association or corporation and located in the Designated Area; “Improvements” does not include any ordinary upkeep or maintenance;

“Local Taxing Authority” shall mean and include the _____, the County and the School District;

“Person” shall mean any individual, partnership, company, association, society, trust, corporation, municipality, municipality authority or other group or entity;

“School District” shall mean the _____ School District, Lebanon County, Pennsylvania, acting by and through its Board of School Directors, or, in appropriate cases, acting by and through its authorized representatives; and

“___” shall mean the ___ of _____ Lebanon County, Pennsylvania, acting by and through its City Council or, in appropriate cases, acting by and through its authorized representatives.

ARTICLE II

DESIGNATED AREA

SECTION 2.01. In accordance with the LERTA District Resolution the designated area to which this resolution applies is as follows:

SECTION 2.02. Any discrepancy between the description of the Designated Area in this Article II and the area designated for the purposes of LERTA in the LERTA District Resolution shall be resolved in favor of the LERTA District Resolution, it being the intent of the Local Taxing Authority to grant exemption to all, new construction and Improvements to the Eligible Property within the area designated by the _____.

ARTICLE III

EXEMPTIONS

SECTION 3.01. There is hereby exempted from all real property taxation of this Local Taxing Authority that portion of the additional assessment attributable to the actual costs of new construction upon, or, Improvements to, Eligible Property for, which proper Application has been made in accordance with this Resolution, subject to the limitations hereinafter set forth.

SECTION 3.02. The exemption authorized by this Resolution shall be in accordance with the provisions and limitations hereinafter set forth.

SECTION 3.03. The schedule of real property taxes to be exempted shall be in accordance with the following percentage of the assessed valuation of new construction or Improvements to Eligible Property:

SECTION 3.04. A tax exemption granted under this Resolution shall first apply in the tax year of this Local Taxing Authority immediately following the tax year in which the eligible new construction or Improvements is or are completed. Nothing in this Resolution is intended to limit or prohibit, nor shall it be construed as limiting or prohibiting, the levy of interim real property taxes upon new construction or Improvements prior to completion thereof.

SECTION 3.05. A tax exemption granted under this Resolution shall be upon the property exempted and shall not terminate upon the sale or exchange of the property.

SECTION 3.06. Any Person who is an owner of Eligible Property and who desires tax exemption pursuant to this Resolution with respect to new construction or Improvements on an Eligible Property shall apply in writing for such exemption on a form to be provided by this Local Taxing Authority at the address set forth on such form, or if no address is set forth thereon, at the principal office of this Local Taxing Authority, and must be received by this Local Taxing Authority within sixty (60) days following the date of issuance of a building permit for the new construction or Improvements with respect to which exemption is desired or, if no building permit is required and no other notification of new construction or Improvements is required to be given to the County, within sixty (60) days following commencement of construction,

SECTION 3.07. This Local Taxing Body shall make available to any Person desiring to apply for a tax exemption in accordance with this Resolution an application form (the "Application") which shall require such Person to supply the following information:

- i. The name of the owner or owners of the Eligible Property;
- ii. The location of the Eligible Property, including the tax parcel identification number or numbers assigned to such property for real property tax purposes;
- iii. The type of new construction or Improvements to be made on the Eligible Property;
- iv. The nature of the improvements to be made to the Eligible Property;
- v. The date on which the relevant building permit was issued or, if no building permit is required, the date on which construction commenced or the estimated date on which it shall commence, as appropriate;

- vi. The cost or estimated cost of the new construction or Improvements;
- vii. Such additional information as this Local Taxing Authority may reasonably require.

SECTION 3.08. The Administrator or another appropriate official of this Local Taxing Authority shall forward a copy of such completed Application to the Board of Assessment and revision of taxes or other appropriate assessment agency in and for the County within sixty (60) days following the date on which such Application is filed with this Local Taxing Authority, together with a request or authorization to such board or other appropriate assessment agency that, following completion of the new construction or Improvements in accordance with LERTA it assesses the subject property in accordance with this resolution and give appropriate notice to this Local Taxing Authority and the taxpayer.

SECTION 3.09. Appeals from the reassessment of an Eligible Property and the amounts eligible for exemption may be taken by the taxpayer or this Local Taxing Authority as provided by law.

SECTION 3.10. The cost of new construction or Improvements to be exempted and the schedule of taxes exempted at the time of an initial request for tax exemption made in accordance with the further provisions of the Resolution shall be applicable to that exemption request, and any subsequent amendment to this Resolution, if any, shall not apply to Applications filed with this Local Taxing Authority prior to their adoption.

ARTICLE IV

Effective Date

SECTION 4.01. This Resolution shall become effective immediately.

ARTICLE V

Severability

SECTION 5.01. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of the Resolution, it being the intent of the County that such remainder shall be and shall remain in full force and effect.

ARTICLE VI

Declaration of Purpose

SECTION 6.01. It is declared that enactment of the Resolution and the provisions hereof are necessary for the protection, benefit and preservation of the health, safety and welfare of inhabitants of this County.

ARTICLE VII

Repealer

SECTION 7.01. All ordinances or parts of ordinances and all resolutions or parts of resolutions that are inconsistent with this Resolution shall be and the same expressly are repealed.

DULY ADOPTED, this _____ day of _____, 20__ by the Board of County Commissioners of the County of Lebanon, Pennsylvania, in lawful session duly assembled.

COUNTY OF LEBANON,
Pennsylvania

By: _____
County Commissioner

By: _____
County Commissioner

By: _____
County Commissioner

ATTEST:

Chief Clerk
(SEAL)

_____ School District
County of Lebanon,
Pennsylvania

Resolution

A RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF THIS SCHOOL DISTRICT, AUTHORIZING THE GRANTING OF TAX EXEMPTIONS ON THE ASSESSED VALUE OF CERTAIN IMPROVEMENTS AND NEW CONSTRUCTION TO INDUSTRIAL, COMMERCIAL AND OTHER BUSINESS PROPERTIES IN AN AREA OF THE CITY OF _____, LEBANON COUNTY, PENNSYLVANIA, PREVIOUSLY DESIGNATED FOR SUCH PURPOSE IN ACCORDANCE WITH THE LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT, AS AMENDED; AND REPEALING ALL PRIOR RESOLUTIONS OR PARTS OF RESOLUTIONS THAT ARE INCONSISTENT WITH THIS RESOLUTION.

WHEREAS, The Local Economic Revitalization Tax Assistance Act ("LERTA") authorizes local taxing authorities to exempt from real property taxation, within certain limitations, the assessed valuation of improvements to, and new construction of, industrial, commercial and other business property in areas designated for such purpose by the governing body of the appropriate city, borough, incorporated town or township; and

WHEREAS, The _____ of _____, being a "municipal governing body" within the meaning of LERTA, established by resolution on _____, 20__ an area within the boundaries of this ____ as an area in which such tax exemption may be granted by the local taxing authorities; and

WHEREAS, This School District (hereinafter referred to from time to time as "this Local Taxing Authority"), being a "local taxing authority" within the meaning of LERTA, in order to foster improvements and new construction in the designated area, desires to grant a tax exemption pursuant to the provisions of LERTA and in accordance with the LERTA District Resolution.

NOW, THEREFORE, BE IT RESOLVED By the governing body of this Local Taxing Authority as follows:

ARTICLE I

Definitions

SECTION 1.01 Unless the context specifically and clearly indicates otherwise, the meaning of terms and phrases used in this Resolution shall be as follows:

“Act” or “LERTA” shall mean Local Economic Revitalization Tax Assistance Act of the Commonwealth, Act No. 1977-76, as amended and supplemented;

“Commonwealth” mean the Commonwealth of Pennsylvania;

“County” shall mean the County of Lebanon, Pennsylvania, acting by and through its Board of County Commissioners, or, in appropriate cases, acting by and through its authorized representatives.

“Designated Area” shall mean the area within the _____ identified in Article II of this Ordinance;

“Eligible Property” shall mean any industrial, commercial or other business property located in the Designated Area;

“Improvement” shall mean repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating any industrial, commercial or other business property owned by any individual, association or corporation and located in the Designated Area; “Improvements” does not include any ordinary upkeep or maintenance;

“Local Taxing Authority” shall mean and include the _____, the County and the School District;

“Person” shall mean any individual, partnership, company, association, society, trust, corporation, municipality, municipality authority or other group or entity;

“School District” shall mean the _____ School District, Lebanon County, Pennsylvania, acting by and through its Board of School Directors, or, in appropriate cases, acting by and through its authorized representatives; and

“___” shall mean the ___ of _____, Lebanon County, Pennsylvania, acting by and through its _____ or, in appropriate cases, acting by and through its authorized representatives.

ARTICLE II

DESIGNATED AREA

SECTION 2.01. In accordance with the LERTA District Resolution the designated area to which this resolution applies is as follows:

SECTION 2.02. Any discrepancy between the description of the Designated Area in this Article II and the area designated for the purposes of LERTA in the LERTA District Resolution shall be resolved in favor of the LERTA District Resolution, it being the intent of the Local Taxing Authority to grant exemption to all, new construction and Improvements to the Eligible Property within the area designated by the _____.

ARTICLE III

EXEMPTIONS

SECTION 3.01. There is hereby exempted from all real property taxation of this Local Taxing Authority that portion of the additional assessment attributable to the actual costs of new construction upon, or, Improvements to, Eligible Property for, which proper Application has been made in accordance with this Resolution, subject to the limitations hereinafter set forth.

SECTION 3.02. The exemption authorized by this Resolution shall be in accordance with the provisions and limitations hereinafter set forth.

SECTION 3.03. The schedule of real property taxes to be exempted shall be in accordance with the following percentage of the assessed valuation of new construction or Improvements to Eligible Property:

SECTION 3.04. A tax exemption granted under this Resolution shall first apply in the tax year of this Local Taxing Authority immediately following the tax year in which the eligible new construction or Improvements is or are completed. Nothing in this Resolution is intended to limit or prohibit, nor shall it be construed as limiting or prohibiting, the levy of interim real property taxes upon new construction or Improvements prior to completion thereof.

SECTION 3.05. A tax exemption granted under this Resolution shall be upon the property exempted and shall not terminate upon the sale or exchange of the property.

SECTION 3.06. Any Person who is an owner of Eligible Property and who desires tax exemption pursuant to this Resolution with respect to new construction or Improvements on an Eligible Property shall apply in writing for such exemption on a form to be provided by this Local Taxing Authority at the address set forth on such form, or if no address is set forth thereon, at the principal office of this Local Taxing Authority, and must be received by this Local Taxing Authority within sixty (60) days following the date of issuance of a building permit for the new construction or Improvements with respect to which exemption is desired or, if no building permit is required and no other notification of new construction or Improvements is required to be given to the this Local Taxing Authority, within sixty (60) days following commencement of construction,

SECTION 3.07. This Local Taxing Authority shall make available to any Person desiring to apply for a tax exemption in accordance with this Resolution an application form (the "Application") which shall require such Person to supply the following information:

- i. The name of the owner or owners of the Eligible Property;
- ii. The location of the Eligible Property, including the tax parcel identification number or numbers assigned to such property for real property tax purposes;
- iii. The type of new construction or Improvements to be made on the Eligible Property;
- iv. The nature of the improvements to be made to the Eligible Property;
- v. The date on which the relevant building permit was issued or, if no building permit is required, the date on which construction commenced or the estimated date on which it shall commence, as appropriate;
- vi. The cost or estimated cost of the new construction or Improvements;

vii. Such additional information is this Local Taxing Authority may reasonably require.

SECTION 3.08. The Director of Business Affairs or another appropriate official of this Local Taxing Authority shall forward a copy of such completed Application to the Board of Assessment and revision of taxes or other appropriate assessment agency in and for the County within sixty (60) days following the date on which such Application is filed with this Local Taxing Authority, together with a request or authorization to such board or other appropriate assessment agency that, following completion of the new construction or Improvements in accordance with LERTA it assesses the subject property in accordance with this resolution and give appropriate notice to this Local Taxing Authority and the taxpayer.

SECTION 3.09. Appeals from the reassessment of an Eligible Property and the amounts eligible for exemption may be taken by the taxpayer or this Local Taxing Authority as provided by law.

SECTION 3.10. The cost of new construction or Improvements to be exempted and the schedule of taxes exempted at the time of an initial request for tax exemption made in accordance with the further provisions of the Resolution shall be applicable to that exemption request, and any subsequent amendment to this Resolution, if any, shall not apply to Applications filed with this Local Taxing Authority prior to their adoption.

ARTICLE IV

Effective Date

SECTION 4.01. This Resolution shall become effective immediately.

ARTICLE V

Severability

SECTION 5.01. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of the Resolution, it being the intent of this Local Taxing Authority that such remainder shall be and shall remain in full force and effect.

ARTICLE VI

Repealer

SECTION 6.01. All ordinances or parts of ordinances and all resolutions or parts of resolutions that are inconsistent with this Resolution shall be and the same expressly are repealed.

DULY ADOPTED, this _____ day of _____, 20__ by the Board of _____ School Directors of the County of Lebanon, Pennsylvania, in lawful session duly assembled.

_____ SCHOOL DISTRICT,
Pennsylvania
By: _____

Title: _____

ATTEST:

Secretary