

Exemption Administration Manual - Part 2

Multiple Dwellings

Section 4.07 - PHFL Section 405

Rent-Controlled Multiple Dwellings Improved through Loan Made Pursuant to PHFL Article 8

PHFL Section 405

Exemption Code(s): 4871

Year Originally Enacted: 1961

Related Statutes: Statute chosen by municipality as basis of exemption

SUMMARY: To the extent allowed by local option, existing multiple dwellings improved through municipal loans made pursuant to PHFL Article 8 are partially exempt from taxation provided that (1) the dwellings are occupied by persons or families of low income and (2) rents are controlled pursuant to the Emergency Housing Rent Control Law, a local law enacted pursuant to the Local Emergency Housing Rent Control Law, or Article 8 of the PHFL. Such property is liable for special ad valorem levies and special assessments.

A. ELIGIBILITY REQUIREMENTS:

- Ownership Requirements:** Property must be owned by a private individual or organization.
- Property Location Requirements:** None unless property location is restricted to certain areas by the statute chosen by the municipality as the basis of exemption (see Local Option below).
- Property Use Requirements:** Property must be used for low-income housing (for a description of tenant income limits, see Chart ID, PHFL Article 8, §§401, 403). In addition, rents must be controlled pursuant to the Emergency Housing Rent Control Law, a local law enacted pursuant to the Local Emergency Housing Rent Control Law, or Article 8 of the PHFL.
- Certification by State or Local Government:** None unless required by the statute chosen by the municipality as the basis of exemption (see Local Option below).
- Required Construction Start Date or Other Time Requirement:**

- B. LOCAL OPTION:** Yes – Each county, city, town, and village may choose whether or not to allow tax exemption and/or tax abatement. The exemption and/or abatement may be to the same extent, for the same period, and under the same terms or conditions as provided by any currently effective statute authorizing the granting of exemption or abatement in aid of rehabilitation, alterations, or improvement of multiple dwellings or the elimination of unhealthful or dangerous conditions in multiple dwellings. The option must be exercised through adoption of a local law.

C. LIMITATION ON EXEMPTION:

	General Municipal Taxes	School District Taxes	Special Ad Valorem Tax	Special Assessments
1. Amount	Yes*	Yes*	No exemption allowed	No exemption allowed
2. Duration	Yes**	Yes**	No exemption allowed	No exemption allowed
3. Taxing Jurisdiction				
a. County or County Special Districts	Ex***	NA	Tax	Tax
b. City	Ex***	NA	NA	Tax
c. Town or Town Special District	Ex***	NA	Tax	Tax
d. Village	Ex***	NA	NA	Tax
e. School District	NA	Ex***	NA	NA
	Ex-Exempt	Tax-Taxable	NA-Not Applicable	

* Limited to the increase in assessed value resulting from the alterations or improvements. May be further limited by the statute chosen by the municipality as the basis of exemption.

** If duration is limited by the statute chosen by the municipality as the basis of exemption.

*** If allowed by local option.

D. PAYMENTS IN LIEU OF TAXES: None required unless specified in the statute chosen by the municipality as the basis of exemption. If payments in lieu of taxes are required, it should be noted that, since they are not collected by the tax collector, such payments should not be entered on the tax roll. Payments in lieu of taxes are collected in the same manner as are other payments due a municipality under contract.

E. CALCULATION OF EXEMPTION:

1. **General Municipal and School District Taxes:** % of increase in assessed value resulting from alterations or improvements as allowed by the statute chosen by the municipality as the basis of exemption.
 2. **Special Ad Valorem Levies and Special Assessments:** No exemption allowed.
-

F. CODING OF EXEMPTION ON ASSESSMENT ROLL:

<u>Code</u>	<u>Description of Alternative Codes Possible</u>
4871_	

Assessment Roll Section(s): Taxable (ARLM Section 1).

NOTE: This code should not be used to identify property that is exempt under any of the statutes listed under Similar Exemptions below.

G. FILING REQUIREMENTS (Owner or Occupant of Property): None.

H. REPORTING REQUIREMENTS (Assessor): None.

I. SIMILAR EXEMPTIONS: See [Chart IA](#) and [Chart IB](#).

[| Top of Page](#) | [| Table of Contents](#) | [| Next Page](#) |

[| Assessors' Manual](#) | [| ORPS Home Page](#) |

Please send general questions or comments to [Jerome McCall](#)

The page header and footer cannot be loaded. Enable Javascript on your browser