



REAL ESTATE DEPARTMENT

ALERT

PHILADELPHIA TAXPAYERS INTERVENE TO ENSURE 18.1 PERCENT CLR IS VIGOROUSLY DEFENDED

By Jeffrey M. Herskowitz and Christopher C. Fallon, III

In the wake of Philadelphia's Board of Revision of Taxes (BRT) groundbreaking decision to apply the County of Philadelphia Common Level Ratio (CLR)—which had been reduced by Pennsylvania's State Tax Equalization Board (STEB) from 32 percent to 18.1 percent—to property values as certified by the City of Philadelphia's Office of Property Assessment (OPA), we at Fox Rothschild have taken immediate action to protect the interests of clients that filed tax appeals.

On January 27, 2012, we filed a Petition to Intervene before the STEB in the appeal of the City of Philadelphia (the City) on behalf of approximately 173 Philadelphia taxpayer clients (taxpayers) who own property in Philadelphia and filed tax appeals. The taxpayers seek to intervene to ensure that the certified 18.1 percent CLR will be vigorously defended.

After the STEB set and published the 18.1 percent CLR, the OPA on behalf of the City submitted two additional sets of sales data to the STEB. In one data set, the OPA reduced the number of sales to be considered by approximately 5,000. In the other, the OPA artificially increased assessed values on properties sold in 2010. The taxpayers object to the STEB's consideration, adoption or use of the untimely

data artificially manipulated in an effort to increase the CLR and eliminate appeals based solely on the CLR. The taxpayers also object to the OPA's alternative proposal that the STEB consider data outside of statutory restrictions.

The taxpayers submit that they have standing and an interest to intervene. If the CLR is altered by the STEB, the taxpayers will suffer a significant, adverse impact. The taxpayers submit that their intervention is necessary and appropriate as issues have been raised that directly affect their interests as taxpayers and as individuals and entities who filed tax appeals.

If the petition is granted, the taxpayers intend to actively participate in this proceeding. Such participation may include, but is not limited to, the presentation of direct or rebuttal testimony and cross-examination of witnesses presented by the City and parties to the appeal. We await the STEB's ruling and will continue to monitor this important issue.

If you have questions regarding this Alert, please contact Jeffrey M. Herskowitz at 609.572.2327 or jherskowitz@foxrothschild.com or Christopher C. Fallon, III at 609.572.2270 or cfallon@foxrothschild.com or any member of Fox Rothschild's [Real Estate Department](#).

