

NO. 01-26-OR

ORDINANCE

An ordinance of the County of Allegheny, Commonwealth of Pennsylvania, amending and supplementing the Allegheny County Code of Ordinances through the creation of a new Article XIII, entitled “Tax Exemptions for Longtime Owner-Occupants of Residential Properties.”

Whereas, Act 53 of 2024 became law on July 11, 2024, with an effective date of September 9, 2024; and

Whereas, Act 53 amended the Commonwealth’s Longtime Owner-Occupant Tax Relief Act (LOTRA) and extended its provisions to Counties of the Second Class; and

Whereas, as noted in Act 53’s declaration of policy and intent (codified at 72 P.S. §4749.2): “[i]n recognition of the severe economic circumstances of certain longtime owner-occupants of residences who are faced with rising living costs and constantly increasing tax burdens in areas where real property values have risen markedly as a consequence of the renovation of other deteriorating residences or the construction of new residences, the General Assembly, pursuant to section 2(b)(v) of Article VIII of the Constitution of Pennsylvania, considers it to be a matter of sound public policy for counties of the first and second class to adopt uniform special real property tax relief provisions in order to allow longtime owner-occupants of residences to remain in peaceful possession of their homes.”; and

Whereas, to meet this goal, LOTRA grants municipalities (now including Counties of the Second Class) “...the power to provide, by ordinance or resolution, for uniform special real property tax provisions granting longtime owner-occupants a deferral or exemption or combination thereof, in the payment of that portion of an increase of real property taxes on a principal residence which is due to an increase in the market value of the principal residence as a consequence of the refurbishing or renovating of other real property or the construction of new real property in long-established areas or areas of deteriorated, vacant or abandoned homes and properties.” 72 P.S. §4749.4(a); and

Whereas, LOTRA defines “longtime owner-occupants” as “[a]ny person who for at least ten continuous years has owned and has occupied the same dwelling place as a principal residence and domicile, or any person who for at least five years has owned and occupied the same dwelling as a principal residence and domicile if that person received assistance in the acquisition of the property as part of a government or nonprofit housing program,” but also allows the County to require longer periods of home ownership and occupation for a person to qualify as a longtime owner-occupant; and

Whereas, it is the judgment of Council that the vast majority of assessed value increases of the nature contemplated by LOTRA occur as a result of Countywide reassessments, and these increases have the potential to make owning their home much more difficult for individuals who purchased it years or decades prior, and had no way to predict or anticipate drastic property tax increases via reassessment(s); and

Whereas, it is not uncommon for businesses that engage in the practices of “flipping” homes or replacing residential units with commercial developments to focus their efforts to obtain properties for a fraction of their fair market value on owners that are having difficulties paying their property taxes; and

Whereas, it is therefore also the judgment of Council that LOTRA provides a particularly valuable tool for mitigating drastic increases in assessed values resulting from Countywide reassessments of properties that have been owned by County residents for lengthy periods of time, both to limit gentrification and to combat arguably predatory purchasing practices; and

Whereas, LOTRA also permits Counties of the Second Class to “use financial need or age, or both, of the longtime owner-occupant to determine eligibility” for the abatement or exemption; and

Whereas, it is accordingly the desire of Council to enact a program geared towards mitigating the impact of significant property tax increases due to assessed value changes not attributable to alterations to the assessed property itself upon longtime residential owners who are least able to bear the cost of such increases;

The Council of the County of Allegheny hereby enacts as follows:

SECTION 1. Incorporation of the Preamble

The provisions of the preamble to this Ordinance are hereby incorporated in their entirety by reference herein.

SECTION 2. Amendment of the Code

The Allegheny County Code of Ordinances is hereby amended through the creation of a new Article XIII, entitled “Tax Exemptions for Longtime Owner-Occupants,” comprised as follows:

ARTICLE XIII

Tax Exemptions for Longtime Owner Occupants

§475-1300. Declaration of Policy.

Allegheny County Council has determined that:

- A. Numerous long-established residential areas and areas of deteriorated, vacant or abandoned homes and properties located throughout Allegheny County have been

targeted for redevelopment and, as a result, are particularly vulnerable to the process of neighborhood change known as gentrification.

- B. Longtime Owner-Occupants of principal residences throughout the County face the real threat of losing the financial ability to remain in their homes by virtue of the rising market values and consequent property tax assessments which are the hallmarks of a gentrifying neighborhood.
- C. Allegheny County Council therefore deems it to be a matter of sound public policy to provide a real property tax exemption program to relieve the economic burden that gentrification brings to longtime homeowners, thereby enabling them to remain in their homes and neighborhoods.

§475-1301. Definitions.

The following words and phrases shall have the meanings delineated herein, except when context clearly dictates to the contrary:

- A. “Longtime Owner-Occupant” shall mean any person who, as of July 1 of the year immediately preceding the tax year has owned and occupied the same dwelling as a principal residence and domicile within the County of Allegheny for at least ten continuous years, or any person who, as of July 1 of the year immediately preceding the tax year has owned and occupied the same dwelling as a principal residence and domicile within the County of Allegheny for at least five years if that person received financial assistance to aid in the acquisition of the property as part of a government or nonprofit housing program.
- B. “Principal Residence” shall mean the dwelling place of a person, including the principal house and lot, and such lots as are used in connection therewith which contribute to its enjoyment, comfort and convenience. For purposes of this Article, the term may also include a building with a maximum of one commercial establishment and a maximum of three residential units of which one residential unit must be the principal residence of the Longtime Owner-Occupant.
- C. “Owner” shall mean:
 - 1. The owner of record, as recorded with the Real Estate Division of the Allegheny County Department of Administrative Services; or
 - 2. An equitable owner, defined as a person who has inherited an interest in the property from the deceased owner of record; a person who has entered into an installment land contract to purchase the property from the owner of record; a person who was the owner of record before a fraudulent conveyance of the property occurred; or a person who can demonstrate some other ownership interest in the property; or

3. In the event that an owner of record acquired the property from a spouse due to death or divorce, or from a life partner due to death or termination of the life partnership, the owner of record shall be deemed to have been the owner of record throughout the period of ownership of the transferring spouse or life partner.
- D. “Eligible Property” shall mean the principal residence and domicile of an eligible taxpayer pursuant to the terms of §475-1302.A.
- E. “OPA” shall mean Office of Property Assessment.
- F. “Income” shall mean income as defined at 24 Code of Federal Regulations (CFR) Section 5.609 (referred to as “Part 5 annual income”).
- G. “Area Median Income” shall mean the area median income published annually by the United States Department of Housing and Urban Development, adjusted for household size, applicable to Allegheny County or the relevant HUD area that includes Allegheny County.
- H. “Lowest Prior Tax Liability” shall mean the lowest dollar amount of Allegheny County real estate taxes for the property from the previous five calendar years.
- I. “Minimum Tax Liability” shall mean the minimum dollar amount of Allegheny County real estate taxes that a Longtime Owner Occupant may possibly pay pursuant to §475-1304. This amount is mathematically expressed as the Lowest Prior Tax Liability multiplied by one hundred and thirty-five percent (135%).
- J. “Current Year Tax Liability” shall mean the dollar amount of Allegheny County real estate taxes due for the current tax year calculated without regard to benefits in §475-1304.
- K. “Maximum Eligible Exemption” shall mean the maximum amount by which a Longtime Owner Occupant’s Current Year Tax Liability may be reduced pursuant to §475-1304. It is mathematically expressed as the larger of zero and the difference between the Current Year Tax Liability and the Minimum Tax Liability.
- L. “Amount Exempted” shall mean the dollar amount by which a Longtime Owner Occupant’s Current Year Tax Liability is reduced pursuant to §475-1304. It is mathematically expressed as Maximum Eligible Exemption multiplied by the Applicable Exemption Percentage.
- M. “Modified Current Year Tax Liability” shall mean the dollar amount of Allegheny County real estate taxes to be paid by a Longtime Owner Occupant following the application of the Amount Exempted to the Current Year Tax Liability. It is mathematically expressed as the difference between the Current Year Tax Liability and the Amount Exempted.

§475-1302. Eligibility For Exemption Of Real Property Taxes.

- A. Real property shall be eligible for the exemptions provided for under this Article if it meets all of the following conditions:
1. The property is owned and occupied by a Longtime Owner-Occupant (as defined in §475-1301) on January 1 of the tax year; and
 2. The property is the principal residence and domicile of the Longtime Owner-Occupant; and
 3. The property is located in the Eligible Area as defined in §475-1303 of this Article;
 4. All real estate taxes on the property are current or subject to a payment agreement that is not in default, or the taxpayer has an active application for a payment agreement that is pending determination by Allegheny County or a designated real estate tax collection entity.
- B. A Longtime Owner Occupant shall be eligible for participation in this program based on the following:
1. For each year, the Owner's total household income is less than or equal to one hundred and twenty-five percent (125%) of the Area Median Income, adjusted for household size, as established by the U.S. Department of Housing and Urban Development in its most recent publication for Allegheny County. If, however, the total household income for any participating Longtime Owner Occupant becomes greater than one hundred and fifty percent (150%) of the Area Median Income, adjusted for household size, as established by the U.S. Department of Housing and Urban Development in its most recent publication for Allegheny County, such Longtime Owner Occupant shall be deemed ineligible for program participant in that tax year.
 2. A Longtime Owner Occupant who is eligible for tax relief under this Chapter is not eligible for tax relief under the Allegheny County Homestead Exclusion.

§475-1303. Eligible Areas.

The following areas of the County are hereby declared to be established residential areas or areas of deteriorated, vacant, or abandoned homes and properties:

- A. All census tracts within the County.

§475-1304. Benefit Determinations.

- A. Following successful application through the process identified in Subsection C, a Longtime Owner Occupant's benefits under this program will be determined using the following process:
1. Determine whether the real property is eligible for participation in this program pursuant to §475-1302.A.
 2. Determine whether the Longtime Owner Occupant is eligible for participation in this program pursuant to §475-1302.B.
 3. Determine the Longtime Owner Occupant's Current Year Tax Liability.
 4. Determine the Longtime Owner Occupant's Lowest Prior Tax Liability.
 5. Determine the Longtime Owner Occupant's Minimum Tax Liability.
 6. Determine the Longtime Owner Occupant's Maximum Eligible Exemption.
 7. Determine the Longtime Owner Occupant's Applicable Exemption Percentage.
 8. Determine the Longtime Owner Occupant's Amount Exempted.
 9. Determine the Longtime Owner Occupant's Modified Current Year Tax Liability
- B. In the event that a Longtime Owner Occupant's application is approved, the Modified Current Year Tax Liability shall increase by seven percent (7%) each tax year until either the annual tax liability is equal to the Current Year Tax Liability, or the Longtime Owner Occupant has received an exemption under this program for ten years. A Longtime Owner Occupant may re-apply at the conclusion of the ten year period, but 100% of the tax liability under the assessed value at the time of application shall be used to determine benefit amounts.
- C. The County Manager shall, within 60 days of the effective date of this Article, develop an application form for the Longtime Owner-Occupant program. The Office of the Allegheny County Treasurer shall include with the annual property tax bill sent to each taxpayer a notice clearly describing the program authorized by this Article, together with the steps a taxpayer must take to enter into the program, the deadline for doing so and an application form. The Office of the Treasurer and the County Manager shall post a downloadable version of the form on their respective websites.
- D. The owner of any property that meets the criteria set forth in §475-1302 and who wishes to participate in the program must apply to the County for certification as a participant in the program. Once deemed eligible for participation, a Longtime Owner-Occupant need not reapply in subsequent tax years, but shall comply with any recertification requirements established by the County Manager under the terms of Subsection D.

- E. The County Manager shall promulgate such rules, regulations, schedules or procedures as it deems necessary for the submission and establishment of proof of the eligibility of the taxpayer for the real property tax exemption provisions of this Chapter.
- F. The County Manager or his or her designee shall approve or deny the application and shall determine the exemption amount (if any) to which each applicant is entitled and an exemption schedule pursuant to Subsection F, and shall send written notice of such determinations to each applicant and the Office of the Treasurer within forty five (45) days of receipt of each application. The County Manager or his or her designee may also deny the application for lack of complete documentation with leave to refile within a stated period of time. Parties aggrieved by County determinations made under the terms of this Article may file an appeal with the Board of Property Assessment Appeals and Review within thirty (30) days of issuance of such determination, consistent with the provisions of §475-1306 of this Article.
- G. Nothing contained within this Article shall be construed as a limitation on the eligibility or the amount of any special tax provisions of any Longtime Owner-Occupant who qualifies for the special tax provisions established in Chapter 475, Article VI of this Code of ordinances, entitled "Property Tax Relief Program," which establishes property tax discounts for certain senior property owners.

§475-1305. Prohibited Conduct: Penalties and Additions.

No taxpayer shall intentionally make any false statement when making application for eligibility to receive an exemption of real property taxes. If it is determined that a taxpayer made application for the real property tax exemption program on the basis of a false statement the eligibility for the exemption provisions is null and void and the applicant shall be required to pay the County outstanding tax liability and any additions, interest or penalties computed as if the taxpayer had never been granted any exemption.

SECTION 3. Effective Date

The provisions of this Ordinance shall become effective on the date on which the County tax rolls are next revised to reflect the results of a Countywide reassessment.

SECTION 4. Severability.

If any provision of this Ordinance shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Ordinance which shall be in full force and effect.

SECTION 5. Repealer.

Any Resolution or Ordinance or part thereof conflicting with the provisions of this Ordinance is hereby repealed so far as the same affects this Ordinance.

PRIMARY SPONSOR: COUNCIL MEMBER GRZYBEK

CO-SPONSORS: COUNCIL MEMBERS FILIAGGI, HALLAM, ROSE, MADONNA-EMMERLING, SHULMAN and ADAMS

Enacted in Council, this 10th day of February, 2026,

Council Agenda No. 13812-26



Patrick Catena
President of Council

Attest:



Jared E. Barker, Chief Clerk
Allegheny County Council

Chief Executive Office February 27, 2026

Approved:



Sara Innamorato
Chief Executive

Attest:



Grant Gittlen, Chief of Staff