

**BOROUGH OF MOSCOW
LACKAWANNA COUNTY, PENNSYLVANIA**

ORDINANCE NO. 234 - 2015

**AN ORDINANCE TO PROVIDE FOR TAX EXEMPTION FOR CERTAIN
DETERIORATED INDUSTRIAL, COMMERCIAL, OR OTHER BUSINESS
PROPERTY; DEFINING ELIGIBLE DETERIORATED AREAS; SETTING A
MAXIMUM EXEMPTION PERIOD AND STARTING DATE; AND PROVIDING A
PROCEDURE FOR SECURING AN EXEMPTION**

WHEREAS, the General Assembly of the Commonwealth of Pennsylvania passes Act 76 of 1977, subsequently amended this legislation on July 13, 1988, known as the Local Economic Revitalization Tax Assistance Act (LERTA) authorizing local taxing authorities to grant a tax exemption for defined deteriorated industrial, commercial and other business property;

WHEREAS, the Borough Council of the Borough of Moscow, Lackawanna County, (the "Borough") has held a hearing to define the boundaries of the deteriorated areas in the Borough;

WHEREAS, the Borough desires to designate "Deteriorated Property" and to grant a LERTA tax exemption to certain Deteriorated Properties.

NOW THEREFORE, BE IT HEREBY ORDAINED AND ENACTED by the Borough Council of the Borough of Moscow, Lackawanna County, Pennsylvania, that tax exemption under LERTA are granted with the Borough in accordance with the following provisions.

1. Definitions

a. Deteriorated Property means any industrial, commercial or other business lot or parcel owned by an individual, association, partnership, company or corporation and located within a defined deteriorated area of the Borough;

b. Improvement means significant repair, significant reconstruction or new construction, including significant alterations and additions, having the effect of rehabilitating a deteriorated property so that it meets higher standards of safety, health, economic use and/or amenity, or is brought into compliance with any law, ordinance or regulations governing the property, but ordinary upkeep and maintenance shall not be deemed an improvement.

2. Exemption Amount

a. Property taxes on the Deteriorated Property shall be exempted on the increase in assessment attributed to the actual cost of Improvements of the Deteriorated Property.

b. The exemption under this Ordinance shall be limited to Improvements which have been requested in accordance with this Ordinance, and which have a separate assessment from the Lackawanna County Assessor.

3. Exemption

a. For the five (5) years beginning on the January 1 of the year following the year in which a Building Permit is issued by the Borough for an Improvement to Deteriorated Property, this Improvement shall be exempt from Borough property tax based on the assessment attributed to the Improvement by the Lackawanna County Assessor, the Lackawanna County Board of Assessment Appeals or by any Court.

b. For the sixth year following the 1st of January of the year following the year in which a Building Permit is issued by the Borough for an Improvement to Deteriorated Property, this Improvement shall be granted an exemption of seventy-five (75%) percent from the property tax based on the assessment attributed to the Improvement by the Lackawanna County Assessor, the Lackawanna County Board of Assessment Appeals or by any Court.

c. For the seventh year following the 1st of January of the year following the year in which a Building Permit is issued by the Borough for an Improvement to Deteriorated Property, this Improvement shall be granted an exemption of sixty (60%) percent from the property tax based on the assessment attributed to the Improvement by the Lackawanna County Assessor, the Lackawanna County Board of Assessment Appeals or by any Court.

d. For the eighth year following the 1st of January of the year following the year in which a Building Permit is issued by the Borough for an Improvement to Deteriorated Property, this Improvement shall be granted an exemption of forty-five (45%) percent from the property tax based on the assessment attributed to the Improvement by the Lackawanna County Assessor, the Lackawanna County Board of Assessment Appeals or by any Court.

e. For the ninth year following the 1st of January of the year following the year in which a Building Permit is issued by the Borough for an Improvement to Deteriorated Property, this Improvement shall be granted an exemption of thirty (30%) percent from the property tax based on the assessment attributed to the Improvement by the Lackawanna County Assessor, the Lackawanna County Board of Assessment Appeals or by any Court.

f. For the tenth year following the 1st day of January of of the year following the year in which a Building Permit is issued by the Borough for an Improvement to Deteriorated Property, this Improvement shall be granted an exemption of fifteen (15%) percent from the property tax based on the assessment attributed to the Improvement by the Lackawanna County Assessor, the Lackawanna County Board of Assessment Appeals or by any Court.

g. The LERTA exemption for the Improvement described in paragraphs (a) through (f) above shall terminate on December 31 of the year ten (10) full years later, giving ten (10) tax exempt years within the schedule indicated above to this Deteriorated Property, and after that

date taxes assessed and billed on a property shall be paid in full.

h. The LERTA exemption granted under this Ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.

4. Request for Exemption

a. The request for LERTA exemption shall be made on the form at Exhibit A to this Ordinance.

b. The request for LERTA exemption shall be made at the time the building permit is requested from the Borough.

c. The request for LERTA exemption shall be made to the Moscow Borough Office, 123 Van Brunt Street, Moscow, PA 18444.

d. A copy of the Request for LERTA Exemption shall be sent to the Lackawanna County Assessor by the Borough.

5. Obtaining the Exemption

Upon completion of the Improvement, the property owner shall inform the Borough Municipal Office and the Lackawanna County Assessor in writing that the Improvements are completed. This notice must be given so the Lackawanna County Assessor may assess the Improvements for calculating the new assessment for the property.

6. Severability

The provisions of this Ordinance are severable. If any of its paragraph, sentence, provision, clause or portion shall be held to be illegal, invalid or unconstitutional by a court of competent jurisdiction, such illegality, invalidity or unconstitutionality shall not affect or impair any of the remaining paragraphs, sentences, provisions, clauses or portions of this Ordinance. It is hereby declared to be the intent of the Borough Council that this Ordinance would have been adopted had the illegal, invalid or unconstitutional paragraph, sentence, provision, clause or portion not been included.

7. Deteriorated Areas


The Deteriorated Areas of the Borough under this Ordinance are hereby defined to be areas set forth in Exhibits B and C to this Ordinance. Exhibit B is a map highlighting the Deteriorated areas and Exhibit C is a list of the properties by address.

8. Effective Date

this Ordinance shall become effective five (5) days after enactment.

ORDAINED AND ENACTED into law by the Borough Council of the Borough of
Moscow, this 3 day of February, 2015.


BOROUGH OF MOSCOW

BY: 
PRESIDENT OF COUNCIL

ATTEST:


SECRETARY

Approved this 3rd day of February, 2015.


MAYOR