



Research Summary

Pennsylvania Economy League

CENTRAL DIVISION

March 2001

Lancaster County

COUNTY AND MUNICIPAL REAL ESTATE TAX LEVIES FOR 2001 RISE BY 5.7 PERCENT SINCE LAST YEAR AND BY 45.4 PERCENT IN THE PAST FIVE YEARS

The gross real estate tax levy for 2001 for Lancaster County, Lancaster City, and the county's boroughs and townships totals \$96,174,180, which is \$5,220,717 or 5.7 percent higher than in 2000. (The gross real estate tax levy is the potential tax yield based on the millage and taxable valuation; it is not necessarily the amount of real estate tax revenue budgeted by a jurisdiction or the amount which it expects to receive.)

Lancaster County's gross real estate tax levy increased by \$3,342,059 or 5.9 percent between 2000 and 2001 to \$59,742,540. Real estate tax levies also increased in 51 of the county's 60 municipalities, they decreased in four, and in five (Conoy, Drumore, Elizabeth, Martic, and Rapho townships) there were no real estate taxes in 2000 and 2001. The largest dollar increase in tax levy among the county's municipalities since last year occurred in Elizabethtown Borough (\$202,237); the largest proportionate increases were recorded in the townships of East Donegal (56.3 percent) and Paradise (57.8 percent). The decreases in real estate tax levies were experienced in the boroughs of Christiana (\$19 or less than 0.1 percent) and Columbia (\$2,495 or 0.2 percent) and in the townships of Bart (\$6,559 or 7.6 percent) and Conestoga (\$140 or 0.1 percent). (See Exhibit I.)

For the five-year period beginning in 1996, the combined gross real estate tax levy of the county and its 60 municipalities rose by \$30,050,802 or 45.4 percent. Lancaster County's real estate tax levy increased by \$22,941,688 or 62.3 percent. Levies also rose in 48 of the municipalities during this period; they decreased in seven; and in Conoy, Drumore, Elizabeth, Martic, and Rapho townships there were no real estate taxes in either 1996 or 2001. The largest dollar increases in tax levy among the county's municipalities during the five-year period were in Lancaster City (\$1,909,646) and Manheim Township (\$429,733); the largest proportionate increases occurred in the townships of West Cocalico (170.1 percent) and West Earl (220.5 percent). The largest absolute decreases in tax levies during the five-year period occurred in Millersville Borough (\$63,900) and in the townships of Bart (\$34,023) and Lancaster (\$61,667). The largest proportionate decreases occurred in the townships of Bart (29.9 percent) and Lancaster (19.7 percent).

In addition to new construction, demolitions, and the natural appreciation and depreciation of properties which can influence the change in the assessed valuation of a county and its municipalities from year to year, assessed valuations in Lancaster County during the period 1996 to 2001 (and in conjunction with the real estate millage perhaps the gross tax levies as well), have been influenced by several significant events: the deregulation of public utilities in the Commonwealth (and the resulting shift in their properties from tax-exempt to taxable status); changes in Pennsylvania's "Clean and Green" legislation (which expands the eligibility for preferential assessment to include farm property previously excluded from consideration for tax exemption); and the implementation of Pennsylvania's Keystone Opportunity Zone (KOZ) and Keystone Opportunity Expansion Zone (KOEZ) programs (which are designed to encourage businesses and individuals to remain in or to move into these designated areas by providing tax incentives including exemption from real estate taxation).

The deregulation of utilities is believed to have increased the assessed valuation countywide and in some municipalities, but as a byproduct of deregulation, all jurisdictions will experience a loss in revenue from the state as part of the Public Utility Realty Tax (PURTA) program. Conversely, the change in the "Clean and Green" legislation and the implementation of the KOZ and KOEZ programs result in reduced assessed valuations for selected properties in some municipalities and the county as a whole. While the specific impacts of these factors differ from jurisdiction to jurisdiction, combined, it is believed that they have had a noticeable effect on the total value of taxable property in Lancaster County during the five-year period under review.

Real estate tax levies for 2001 in Lancaster County's boroughs total \$8,404,817 and range from \$92,671 in Mountville to \$1,408,064 in Columbia; the levies in the townships total \$15,982,824 and range from \$27,473 in Fulton to \$4,813,163 in Manheim. The tax levies in the boroughs rose by \$615,305 or 7.9 percent over 2000 and by \$1,637,121 or 24.2 percent over 1996. Levies in the townships during these two periods increased by \$1,196,533 or 8.1 percent and \$3,562,347 or 28.7 percent, respectively. Lancaster City's 2001 real estate tax levy is \$12,043,999, up by \$66,820 or 0.6 percent from 2000 and by \$1,909,646 or 18.8 percent from 1996.

Real estate tax millages for general purposes (and for special purposes if levied throughout the jurisdiction) increased in 13 of the county's municipalities between 2000 and 2001, decreased in one, and were unchanged in the remaining 46. The largest millage increases were experienced in the boroughs of Elizabethtown, Manheim, and Mount Joy and in the townships of East Donegal and West Cocalico (all 0.50 mill) and in Paradise Township (0.55 mill). The largest proportionate increases occurred in the townships of Colerain, East Donegal, Mt. Joy, and West Cocalico (all 50.0 percent) and in Paradise Township (57.9 percent). The sole decrease was recorded in Bart Township (0.05 mill or 6.7 percent). (See Exhibit I.)

Lancaster County's 2001 real estate tax millage rate increased by 0.10 mill or 3.9 percent to 2.61 mills; Lancaster City's rate was unchanged from 2000 at 6.84 mills.

General purpose real estate tax millages are lower in 2001 than in 1996 in 54 county municipality, higher in one, and unchanged in the remaining five. (The high number of millage decreases during this period

is in keeping with state law which limits increases in tax levies in the year following the implementation of a countywide reassessment program. The lower millages, when coupled with the higher assessed valuations resulting from the 1998 reassessment, do not necessarily produce lower real estate tax levies for the municipalities.) The largest millage decreases during the five-year period were recorded in Lancaster City (28.56 mills) and Columbia Borough (23.34 mills). The largest percentage decreases were experienced in the townships of Bart (90.0 percent) and Fulton (89.0 percent). Brecknock Township, which did not levy a real estate tax in 1996, has a 2001 millage rate of 0.30 mill.

Lancaster City's millage decreased by 28.56 mills or 80.7 percent since 1996. Lancaster County's millage is down by 8.39 mills or 76.2 percent during the five-year period.

Real estate millages in Lancaster County's boroughs now range from 0.92 in Mountville to 4.66 in Columbia; millages in the townships range from 0.20 in both Caernarvon and West Hempfield to 2.20 in Manheim. Conoy, Drumore, Elizabeth, Martic, and Rapho townships did not levy real estate taxes in 2001. Lancaster City's real estate millage is 6.84 mills.

In addition to the general purpose and municipal-wide special purpose real estate taxes mentioned above, some municipalities levy special purpose real estate taxes only in selected areas of the jurisdiction for such services as street lighting and fire hydrants. These are not included in this study, nor are service fees which may be charged for garbage collection, sewage collection and treatment, and so forth. For example, ten Lancaster County municipalities report garbage collection fees in 2001 ranging from \$2.75 on a per bag basis to between \$100 and \$150 per household on a flat annual basis. Also, various nonproperty taxes, particularly those levied under Act 511, are widely used by Lancaster County's municipalities (and school districts, as well). Included are earned income, per capita, occupational privilege, real estate transfer, amusement, mercantile, and business privilege taxes. **During the period under review, some jurisdictions may have imposed for the first time or may have changed nonproperty tax rates, service fees, or special purpose real estate taxes.**

The certified assessed valuation of taxable property in Lancaster County for 2001 totals \$22.9 billion, an increase of \$437,943,700 or 2.0 percent over 2000. Assessed valuations rose in 51 of the county's 60 municipalities ranging from \$318,900 in Terre Hill Borough to \$52,057,500 in East Lampeter Township. Proportionately, the increases ranged from 0.2 percent in Akron Borough to 9.5 percent in West Donegal Township. Decreases in assessed valuations were experienced in nine municipalities ranging from \$7,500 (less than 0.1 percent) in Christiana Borough to \$3,886,200 (1.5 percent) in Martic Township. (See Exhibit II.)

For the five-year period beginning in 1996, Lancaster County's assessed valuation rose by \$19.5 billion or 583.4 percent, primarily as a result of the 1998 reassessment. Assessed valuations increased in each of the county's municipalities during this period. The largest dollar increases occurred in Lancaster City (\$1.5 billion) and in the townships of East Hempfield (\$1.3 billion) and Manheim (\$1.8 billion); the largest proportionate increase between 1996 and 2001 was recorded in Drumore Township (2,938.7 percent). (See Exhibit II.)

The 2001 assessed valuations in Lancaster County's 18 boroughs range from \$38,190,400 in Christiana to \$550,734,100 in Ephrata; the range in the 41 townships is from \$79,331,300 in Eden to \$2,187,801,300 in Manheim. Lancaster City's 2001 assessed valuation is \$1,760,818,600.

The county's predetermined assessment ratio for 1996, 2000, and 2001 is 100 percent of market value. The Common Level Ratio of assessed values to selling prices as determined by the State Tax Equalization Board (STEB) was 16.2 percent in 1996 and 93.3 percent in 1999 (the most recent figure available). The county most recently reassessed in 1998.

The foregoing narrative and exhibits which follow are designed primarily to identify changes since last year and during the most recent five-year period in the real estate tax levies, tax rates, and assessed valuations of the county government and each municipality in the county. No valid comparison of tax burden among the municipalities can be made without a detailed analysis of the quantity and quality of services provided and the role of nonproperty taxes, special fees and charges, and any municipal-operated utilities, such as sewer and water.

The Pennsylvania Economy League was incorporated in 1936 as a statewide, nonprofit, nonpartisan, citizen-supported research organization. It provides critical information, perspective, and policy analysis to the business, civic, and governmental leadership of our communities and our state to support their efforts to make Pennsylvania a better place to live, work, and do business. PEL serves as a catalyst for moving ideas into action by working in partnership with governmental, business, and civic groups to develop consensus and action on public policies, programs, and solutions that will increase the effectiveness and efficiency of state government, improve the economic climate and competitiveness, and raise the quality of life in the state. At the local level PEL engages in a variety of research projects and related activities designed to bring about the sound financing and most cost-effective delivery of necessary public services. PEL's program of professional and unbiased research is made possible by the voluntary tax-deductible memberships of more than 1,000 individuals, businesses, institutions, and associations in Lancaster County and throughout Pennsylvania.

EXHIBIT I

Lancaster County
 County and Municipal Real Estate Tax Rates and Gross Tax Levies ^{1/}
 2001

	2001		Change 2000 to 2001				Change 1996 to 2001				
	Tax Millage ^{2/}	Gross Tax Levy ^{3/}	Tax Rate		Gross Tax Levy		Tax Rate		Gross Tax Levy		
			Mills	%	\$	%	Mills	%	\$	%	
COUNTY:											
Lancaster	2.61	\$59,742,540	0.10	3.9	3,342,059	5.9	-8.39	-76.2	22,941,688	62.3	
CITY:											
Lancaster	6.84	12,043,999	—	—	66,820	0.6	-28.56	-80.7	1,909,646	18.8	
BOROUGHES:											
Adamstown	2.18	140,429	0.25	13.0	18,360	15.0	-7.07	-76.4	64,796	85.7	
Akron	1.65	257,217	—	—	569	<0.1	-4.35	-72.5	107,721	72.1	
Christiana	2.50	95,476	—	—	-19	<-0.1	-9.50	-79.2	39,498	70.6	
Columbia	4.66	1,408,064	—	—	-2,495	-0.2	-23.34	-83.4	159,567	12.8	
Denver	1.75	238,065	—	—	5,564	2.4	-8.75	-83.3	13,830	6.2	
East Petersburg	2.32	455,845	—	—	4,692	1.0	-3.68	-61.3	265,183	139.1	
Elizabethtown	3.10	1,198,963	0.50	19.2	202,237	20.3	-11.90	-79.3	290,391	32.0	
Ephrata	1.59	874,015	—	—	2,567	0.3	-8.41	-84.1	845	0.1	
Lititz	1.13	452,086	—	—	18,727	4.3	-5.88	-83.9	49,945	12.4	
Manheim	2.50	511,104	0.50	25.0	103,568	25.4	-11.00	-81.5	118,493	30.2	
Marietta	3.50	299,849	0.40	12.9	33,900	12.7	-18.00	-83.7	86,710	40.7	
Millersville	3.00	680,885	—	—	2,385	0.4	-18.00	-85.7	-63,900	-8.6	
Mount Joy	2.50	727,152	0.50	25.0	159,618	28.1	-10.00	-80.0	236,326	48.1	
Mountville	0.92	92,671	—	—	2,419	2.7	-5.08	-84.7	14,395	18.4	
New Holland	1.50	433,434	0.17	12.8	55,609	14.7	-6.25	-80.6	95,801	28.4	
Quarryville	1.90	189,223	—	—	5,489	3.0	-8.10	-81.0	52,641	38.5	
Strasburg	1.80	228,360	—	—	1,222	0.5	-7.20	-80.0	57,596	33.7	
Terre Hill	2.80	121,979	—	—	893	0.7	-8.70	-75.7	47,283	63.3	
TOWNSHIPS:											
Bart	0.70	79,693	-0.05	-6.7	-6,559	-7.6	-6.30	-90.0	-34,023	-29.9	
Brecknock	0.30	90,036	—	—	1,874	2.1	0.30	NA	90,036	NA	
Caernarvon	0.20	38,661	—	—	244	0.6	-1.30	-86.7	-404	-1.0	
Clay	0.63	149,309	—	—	4,867	3.4	-3.37	-84.1	14,528	10.8	
Colerain	0.60	96,499	0.20	50.0	31,845	49.3	-2.40	-80.0	28,635	42.2	
Conestoga	0.81	128,743	—	—	-140	-0.1	-5.19	-86.6	3,376	2.7	
Conoy	—	—	—	—	—	—	—	—	—	—	
Drumore	—	—	—	—	—	—	—	—	—	—	
Earl	1.00	324,179	—	—	9,618	3.1	-2.50	-71.4	158,986	96.2	
East Cocalico	1.25	697,902	0.25	25.0	167,285	31.5	-4.75	-79.2	259,650	59.2	
East Donegal	1.50	436,976	0.50	50.0	157,458	56.3	-3.50	-70.0	226,726	107.8	
East Drumore	0.40	70,554	—	—	1,433	2.1	-2.10	-84.0	2,645	3.9	
East Earl	0.80	231,774	—	—	7,447	3.3	-2.20	-73.3	102,460	79.2	
East Hempfield	1.20	1,858,259	—	—	40,222	2.2	-4.80	-80.0	357,406	23.8	
East Lampeter	0.83	902,523	—	—	43,207	5.0	-4.17	-83.4	96,695	12.0	
Eden	0.70	55,532	—	—	469	0.9	-3.30	-82.5	13,093	30.9	
Elizabeth	—	—	—	—	—	—	—	—	—	—	
Ephrata	1.50	551,988	—	—	13,846	2.6	-6.00	-80.0	142,854	34.9	
Fulton	0.22	27,473	—	—	321	1.2	-1.78	-89.0	-2,826	-9.3	
Lancaster	0.40	252,015	—	—	883	0.4	-2.60	-86.7	-61,667	-19.7	
Leacock	0.50	117,059	—	—	572	0.5	-1.50	-75.0	50,886	76.9	
Little Britain	0.42	71,139	—	—	675	1.0	-2.58	-86.0	4,663	7.0	
Manheim ❖	2.20	4,813,163	—	—	101,593	2.2	-10.30	-82.4	429,733	9.8	
Manor	0.90	768,960	—	—	12,710	1.7	-4.10	-82.0	165,996	27.5	
Martic	—	—	—	—	—	—	—	—	—	—	
Mount Joy	1.13	455,199	0.38	50.0	159,574	54.0	-4.88	-81.3	119,982	35.8	
Paradise	1.50	308,258	0.55	57.9	112,898	57.8	-4.50	-75.0	141,536	84.9	
Penn	0.75	269,072	—	—	2,934	1.1	-2.25	-75.0	106,115	65.1	
Pequea	1.12	253,011	—	—	2,486	1.0	-6.38	-85.0	-7,952	-3.0	

Lancaster County
County and Municipal Real Estate Tax Rates and Gross Tax Levies ^{1/}
 2001

	2001		Change 2000 to 2001				Change 1996 to 2001			
	Tax Millage ^{2/}	Gross Tax Levy ^{3/}	Tax Rate		Gross Tax Levy		Tax Rate		Gross Tax Levy	
			Mills	%	\$	%	Mills	%	\$	%
TOWNSHIPS :										
Providence	0.22	\$ 58,590	—	—	585	1.0	-1.28	-85.3	4,728	8.8
Rapho	—	—	—	—	—	—	—	—	—	—
Sadsbury	0.75	100,243	—	—	561	0.6	-4.25	-85.0	1,457	1.5
Salisbury	0.23	94,612	—	—	1,526	1.6	-1.27	-84.7	9,379	11.0
Strasburg	0.40	84,877	—	—	164	0.2	-1.60	-80.0	23,475	38.2
Upper Leacock	1.20	558,012	0.20	20.0	94,343	20.3	-2.80	-70.0	268,778	92.9
Warwick	0.33	254,562	—	—	10,008	4.1	-1.67	-83.5	55,963	28.2
West Cocalico	1.50	457,650	0.50	50.0	154,136	50.8	-2.50	-62.5	288,183	170.1
West Donegal	1.50	556,344	—	—	48,489	9.5	-6.50	-81.3	122,464	28.2
West Earl	1.00	296,505	—	—	2,911	1.0	-1.00	-50.0	203,980	220.5
West Hempfield	0.20	148,957	—	—	3,174	2.2	-1.30	-86.7	-15,595	-9.5
West Lampeter	0.44	324,495	—	—	12,874	4.1	-0.81	-64.7	190,406	142.0

❖ First Class Township.

NA = Not Applicable

^{1/} Tax rates and levies for 1996, 2000, and 2001 are based on certified municipal assessments at a predetermined 100 percent assessment ratio. The Common Level Ratio of assessed values to selling price as determined by the State Tax Equalization Board (STEB) was 16.2 percent in 1996 and 93.3 percent in 1999 (the most recent figure available).

^{2/} Tax millages of three or more decimal places are rounded to two places.

^{3/} The gross real estate tax levy is the potential tax yield based on the millage and taxable valuation; it is not necessarily the amount of real estate tax revenue budgeted by a jurisdiction or the amount which it expects to receive.

SOURCE: Municipalities and Lancaster County Assessment Office.

PEL:CD March 2001

EXHIBIT II

Lancaster County
Assessed Valuations ^{1/}
2001

	2001 Assessed Valuation	Change 2000 to 2001		Change 1996 to 2001	
		\$	%	\$	%
COUNTY:					
Lancaster	\$22,863,582,100	437,943,700	2.0	19,518,050,090	583.4
CITY:					
Lancaster	1,760,818,600	9,769,100	0.6	1,474,537,440	515.1
BOROUGHES:					
Adamstown	64,417,000	1,169,000	1.8	56,240,420	687.8
Akron	155,889,300	345,100	0.2	130,973,240	525.7
Christiana	38,190,400	-7,500	<-0.1	33,525,570	718.7
Columbia	302,159,600	-535,500	-0.2	257,570,430	577.7
Denver	136,036,900	3,179,000	2.4	114,681,200	537.0
East Petersburg	196,315,700	2,020,700	1.0	164,538,780	517.8
Elizabethtown	386,762,300	3,406,300	0.9	326,190,850	538.5
Ephrata	550,734,100	1,617,700	0.3	463,417,110	530.7
Lititz	401,854,100	16,646,000	4.3	344,405,380	599.5
Manheim	204,441,700	673,600	0.3	175,359,440	603.0
Marietta	85,671,000	-118,900	-0.1	75,757,570	764.2
Millersville	226,961,700	795,000	0.4	191,495,730	539.9
Mount Joy	290,860,900	7,093,700	2.5	251,594,790	640.7
Mountville	100,729,500	2,629,900	2.7	87,683,570	672.1
New Holland	288,956,100	4,877,100	1.7	245,390,500	563.3
Quarryville	99,591,000	2,889,000	3.0	85,932,820	629.2
Strasburg	126,866,700	679,000	0.5	107,892,870	568.6
Terre Hill	43,563,800	318,900	0.7	37,068,460	570.7
TOWNSHIPS:					
Bart	113,847,400	-1,155,100	-1.0	97,602,300	600.8
Brecknock	300,118,600	6,245,900	2.1	261,267,310	672.5
Caernarvon	193,306,800	1,221,600	0.6	167,263,420	642.2
Clay	235,206,300	7,667,400	3.4	201,510,940	598.0
Colerain	160,832,000	-804,100	-0.5	138,210,550	611.0
Conestoga	159,532,500	-173,300	-0.1	138,637,940	663.5
Conoy	127,534,200	595,200	0.5	111,496,310	695.2
Drumore	426,412,000	-1,542,200	-0.4	412,379,280	2,938.7
Earl	324,179,100	9,618,300	3.1	276,981,090	586.8
East Cocalico	558,321,400	27,704,000	5.2	485,279,340	664.4
East Donegal	291,317,300	11,799,200	4.2	249,267,240	592.8
East Drumore	176,384,500	3,582,200	2.1	149,220,970	549.3
East Earl	289,718,100	9,309,700	3.3	246,613,340	572.1
East Hempfield	1,548,549,000	33,518,000	2.2	1,298,406,860	519.1
East Lampeter	1,087,377,400	52,057,500	5.0	926,211,810	574.7
Eden	79,331,300	669,800	0.9	68,721,440	647.7
Elizabeth	176,575,100	2,304,600	1.3	150,754,970	583.9
Ephrata	367,992,000	9,230,500	2.6	313,440,780	574.6
Fulton	124,876,600	1,458,400	1.2	109,727,180	724.3

EXHIBIT II

**Lancaster County
Assessed Valuations ^{1/}
2001**

	2001 Assessed Valuation	Change 2000 to 2001		Change 1996 to 2001	
		\$	%	\$	%
TOWNSHIPS:					
Lancaster	\$ 630,037,900	2,207,200	0.4	525,477,360	502.6
Leacock	234,118,500	1,144,300	0.5	201,032,040	607.6
Little Britain	169,377,600	1,605,300	1.0	147,219,020	664.4
Manheim ❖	2,187,801,300	46,178,600	2.2	1,837,126,930	523.9
Manor	854,399,600	14,122,000	1.7	733,806,820	608.5
Martic	248,243,100	-3,886,200	-1.5	220,008,420	779.2
Mount Joy	404,621,700	10,454,600	2.7	348,752,180	624.2
Paradise	205,505,400	-136,300	-0.1	177,718,350	639.6
Penn	358,763,200	3,913,200	1.1	304,444,140	560.5
Pequea	225,169,200	2,213,000	1.0	190,374,100	547.1
Providence	266,316,800	2,657,400	1.0	230,408,500	641.7
Rapho	429,480,000	4,155,400	1.0	365,641,930	572.8
Sadsbury	133,657,900	749,200	0.6	113,900,730	576.5
Salisbury	411,355,400	6,635,200	1.6	354,533,610	623.9
Strasburg	212,191,500	410,000	0.2	181,490,350	591.2
Upper Leacock	465,009,600	1,340,600	0.3	392,701,080	543.1
Warwick	770,466,500	30,290,300	4.1	671,166,900	675.9
West Cocalico	305,100,200	1,585,900	0.5	262,733,360	620.1
West Donegal	370,896,200	32,326,000	9.5	316,661,160	583.9
West Earl	296,505,300	2,911,600	1.0	250,242,970	540.9
West Hempfield	744,786,300	15,869,300	2.2	635,085,110	578.9
West Lampeter	736,316,900	29,212,300	4.1	629,045,790	586.4

❖ First Class Township.

^{1/} Valuations for 1996, 2000, and 2001 are based on certified municipal assessments at a predetermined 100 percent assessment ratio. The Common Level Ratio of assessed values to selling prices as determined by the State Tax Equalization Board (STEB) was 16.2 percent in 1996 and 93.3 percent in 1999 (the most recent figure available).

SOURCE: Lancaster County Assessment Office.

PEL:CD March 2001