

Dauphin County

COUNTY AND MUNICIPAL REAL ESTATE TAX LEVIES FOR 2003 RISE BY 1.2 PERCENT SINCE LAST YEAR AND BY 18.8 PERCENT IN THE PAST FIVE YEARS

The gross real estate tax levy for 2003 for Dauphin County, Harrisburg City, and the county's boroughs and townships totals \$94,762,496, which is \$1,149,058 or 1.2 percent higher than in 2002. (The gross real estate tax levy is the potential tax yield based on the millage and the certified taxable valuation; it is not necessarily the amount of real estate tax revenues budgeted by jurisdictions or the amount which they expect to receive.)

Dauphin County's gross real estate tax levy increased by \$785,746 or 1.2 percent between 2002 and 2003 to \$64,943,570. (The county's general purpose tax levy rose by \$758,268 or 1.2 percent since last year to \$62,412,548; the special library tax represents an additional levy of \$2,531,022, and is up by \$27,478 or 1.1 percent over 2002.)

Real estate tax levies also increased in 26 of the county's 40 municipalities since last year; they decreased in 12; and in two (Conewago and Middle Paxton townships) there were no real estate taxes in 2002 or 2003. The largest increase in tax levy among the county's municipalities during this period occurred in Millersburg Borough (\$74,131). Other significant dollar increases were recorded in Dauphin Borough (\$56,674) and in the townships of Susquehanna (\$52,087) and West Hanover (\$67,708). The largest proportionate increases occurred in Dauphin Borough (131.8 percent) and Wiconisco Township (46.7 percent). The absolute decreases ranged from \$16 in Wayne Township to \$150,392 in Harrisburg City. Proportionately, the decreases ranged from 0.1 percent in the boroughs of Elizabethville and Highspire to 16.9 percent in Upper Paxton Township. (See Exhibit I.)

For the five-year period beginning in 1998, the combined real estate tax levy for the county and its 40 municipalities grew by \$15,025,948 or 18.8 percent. Dauphin County's real estate tax levy increased by \$11,592,653 or 21.7 percent. Levies also rose in 33 of the municipalities during this period; the levy fell in five; and in two (Conewago and Middle Paxton townships) there were no real estate taxes in either 1998 or 2003. The largest dollar increases in tax levy among the county's municipalities for the five-year period were in Harrisburg City (\$1,542,286) and the townships of Lower Paxton (\$205,646), Susquehanna (\$236,478), and Swatara (\$350,615). The largest proportionate increases occurred in Dauphin Borough (167.0 percent) and Wiconisco Township (92.7 percent).

Real estate tax levies for 2003 in Dauphin County's boroughs total \$3,991,776 and range from \$4,734 in Berrysburg to \$726,688 in Steelton; the levies in the townships total \$11,544,113 and range from \$2,108 in Rush to \$2,316,529 in Swatara. The tax levies in the boroughs rose by

\$304,319 or 8.3 percent over 2002 and by \$641,252 or 19.1 percent over 1998. Levies in the townships during these two periods increased by \$224,333 or 2.0 percent and by \$1,264,705 or 12.3 percent, respectively.

Harrisburg City's real estate tax levy in 2003 is \$14,283,037, down by \$165,340 or 1.1 percent from 2002 but up by \$1,527,338 or 12.0 percent since 1998. The city, unlike most of the county's other municipalities, levies separate tax rates on the land value and improvements value of each property. The tax levy on land decreased by \$112,109 or 1.2 percent since last year but rose by \$3,585,136 or 66.9 percent since 1998; the levy on improvements fell by \$53,231 or 1.0 percent from 2002 and by \$2,057,798 or 27.8 percent from 1998.

Real estate tax millages for general purposes (and for special purposes if levied throughout the jurisdiction) increased in nine municipalities between 2002 and 2003, decreased in one (Upper Paxton Township—0.10 mill or 17.9 percent), and were unchanged in the remaining 30. Millage increases were recorded in the boroughs of Dauphin (2.00 mills or 127.4 percent), Hummelstown (0.26 mill or 21.6 percent), Millersburg (1.00 mill or 29.2 percent), Paxtang (0.50 mill or 7.1 percent), Pennsbrook (0.58 mill or 11.5 percent), and Williamstown (1.00 mill or 30.3 percent) and in the townships of Jackson (0.20 mill or 10.0 percent), West Hanover (0.06 mill or 5.6 percent), and Wiconisco (1.10 mill or 55.0 percent). (See Exhibit I.)

Harrisburg City's 2003 tax rates are 24.440 mills on land and 4.069 mills on improvements; for purposes of comparison these rates convert to a single millage equivalent of 8.522. The rate on land increased by 0.03 mill or 0.1 percent from last year; the rate on improvements was unchanged.

Dauphin County's 2003 millage for general purposes remained unchanged from 2002 at 4.835 mills; the special library tax levy (which is in effect in all municipalities but Middletown Borough and Derry Township) also was unchanged at 0.233 mill. The total 2003 county rate paid in all but these two municipalities is 5.068 mills.

General purpose real estate tax millages are lower in 2003 than in 1998 in all but one county municipalities. (The high number of millage decreases is in keeping with state law which limits real estate tax levies in the year in which a countywide reassessment is implemented. The lower millages, when coupled with the higher assessments resulting from the 2002 reassessment do not necessarily result in lower real estate tax levies for the municipalities.) The millage decreases during this period ranged from 0.12 mill in East Hanover Township to 5.78 mills in Paxtang Borough. On a proportionate basis the decreases ranged from 11.4 percent in Wiconisco Township to 67.2 percent in Upper Paxton Township. The sole increase in millage for the five year period was in Dauphin Borough (0.57 mill or 19.0 percent).

Harrisburg's millage on land fell by 13.92 mills (36.3 percent) between 1998 and 2003, while the millage on improvements decreased by 5.52 mills (57.6 percent). The single millage equivalent is down by 5.48 mills or 39.1 percent from 1998.

Dauphin County's millage decreased by 3.48 mills (40.7 percent) since 1998.

Millage rates in Dauphin County's boroughs now range from 0.55 in Berrysburg to 7.52 in Paxtang; millages in the townships range from 0.18 in East Hanover to 3.10 in Wiconisco. For

purposes of comparison, Harrisburg's separate tax rates on land and improvements convert to a single millage equivalent of 8.52 mills. The townships of Conewago and Middle Paxton did not levy real estate taxes in 2003.

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 Dauphin County municipalities report annual residential garbage collection fees in 2003 ranging from \$130 to \$200. Also, various nonproperty taxes, particularly those levied under Act 511, are widely used by Dauphin 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 Dauphin County for 2003 totals \$12.91 billion, an increase of \$156,828,901 or 1.2 percent over 2002. Assessed valuations rose in 26 of the county's 40 municipalities since last year ranging from \$12,300 in Pillow Borough to \$37,452,000 in Derry Township; proportionate increases ranged from 0.1 percent in Williamstown Borough to 9.1 percent in West Hanover Township. Decreases in assessed valuation occurred in 14 municipalities ranging from \$23,400 in Elizabethville Borough to \$18,063,900 in Harrisburg City; proportionately the decreases ranged from 0.1 percent in several municipalities to 5.4 percent in Wiconisco Township.

Harrisburg City's total assessed valuation decreased by \$18,063,900 or 1.1 percent between 2002 and 2003—the valuation on land fell by \$4,981,800 or 1.3 percent; the valuation on improvements dropped by \$13,082,100 or 1.0 percent.

For the five-year period beginning in 1998, Dauphin County's assessed valuation rose by \$6.6 billion or 104.8 percent. Assessed valuations increased in each of the county's municipalities during this period largely as a result of the implementation of the countywide reassessment in 2002. The absolute increases ranged from \$3,807,800 in Reed Township to \$1,320,430,000 in Lower Paxton Township. On a proportionate basis the increases ranged from 57.4 percent in Reed Township to 185.5 percent in Londonderry Township. (See Exhibit II.)

The 2003 assessed valuations of Dauphin County's 16 boroughs range from \$8,090,800 in Pillow to \$263,502,200 in Middletown, while the range in the 23 townships is from \$8,441,200 in Rush to \$2,621,608,900 in Lower Paxton. Harrisburg City's assessed valuation is \$1,677,773,400.

The county's predetermined assessment ratio for 1998, 2002, and 2003 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 54.4 percent in 1998 and 93.5 percent in 2002—the most recent figure available.

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 Dauphin County during the period 1998 to 2003 (and, in conjunction with the real estate tax millage, perhaps the gross tax levies as well), have been influenced by several significant events above and beyond the countywide reassessment. These include 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) program (which is 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 has increased the assessed valuation and the potential tax yield 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 program resulted 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, they have had a noticeable effect on the total value of taxable property and tax levies in Dauphin County during the five-year period under review.

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 Dauphin County and throughout Pennsylvania.

EXHIBIT I

Dauphin County
County and Municipal Real Estate Tax Rates and Gross Tax Levies^{1/}
 2003

	2003		Change 2002 to 2003				Change 1998 to 2003			
	Tax Millage	Gross Tax Levy ^{2/}	Tax Rate		Gross Tax Levy		Tax Rate		Gross Tax Levy	
			Mills	%	\$	%	Mills	%	\$	%
COUNTY:										
Dauphin ^{3/}	5.0680	\$64,943,570	—	—	785,746	1.2	-3.48	-40.7	11,592,653	21.7
CITY:										
Harrisburg—Total ^{4/}	8.5220	14,283,037	—	—	-165,340	-1.1	-5.48	-39.1	1,527,338	12.0
Land	24.4400	8,945,509	0.03	0.1	-112,109	-1.2	-13.92	-36.3	3,585,136	66.9
Improvements	4.0690	5,337,528	—	—	-53,231	-1.0	-5.52	-57.6	-2,057,798	-27.8
BOROUGHS:										
Berrysburg	0.5500	4,734	—	—	36	0.8	-0.51	-48.3	124	2.7
Dauphin	3.5700	99,678	2.00	127.4	56,674	131.8	0.57	19.0	62,349	167.0
Elizabethville	4.4000	181,147	—	—	-103	-0.1	-3.60	-45.0	35,487	24.4
Gratz	0.7066	17,766	—	—	-220	-1.2	-0.29	-29.3	6,713	60.7
Halifax	1.5280	30,498	—	—	145	0.5	-0.67	-30.5	12,056	65.4
Highspire	6.2050	470,214	—	—	-305	-0.1	-4.79	-43.6	61,939	15.2
Hummelstown	1.4500	254,716	0.26	21.6	48,866	23.7	-1.23	-45.9	72,615	39.9
Lykens	1.9200	83,117	—	—	397	0.5	-1.28	-40.0	19,665	31.0
Middletown	2.3600	621,865	—	—	3,402	0.6	-2.71	-53.5	-22,403	-3.5
Millersburg	4.4280	342,972	1.00	29.2	74,131	27.6	-2.07	-31.9	90,351	35.8
Paxtang	7.5200	498,646	0.50	7.1	34,529	7.4	-5.78	-43.5	79,395	18.9
Penbrook	5.6100	488,342	0.58	11.5	49,985	11.4	-3.94	-41.3	104,528	27.2
Pillow	0.6000	4,854	—	—	7	0.1	-0.60	-50.0	306	6.7
Royalton	2.1879	57,161	—	—	-419	-0.7	-2.46	-52.9	13,836	31.9
Steelton ^{4/}	4.9908	726,688	—	—	11,641	1.6	-4.01	-44.5	73,811	11.3
Williamstown	4.3000	109,378	1.00	30.3	25,553	30.5	-2.40	-35.8	30,480	38.6
TOWNSHIPS:										
Conewago	—	—	—	—	—	—	—	—	—	—
Derry	1.0966	1,954,394	—	—	41,070	2.1	-1.02	-48.2	22,754	1.2
East Hanover	0.1800	54,742	—	—	1,986	3.8	-0.12	-40.4	10,169	22.8
Halifax	0.5100	74,200	—	—	122	0.2	-0.99	-66.0	-32,108	-30.2
Jackson	0.2200	16,278	0.02	10.0	1,756	12.1	-0.23	-51.1	1,301	8.7
Jefferson	0.7800	15,975	—	—	-78	-0.5	-1.22	-61.0	-6	<-0.1
Londonderry	1.0700	332,521	—	—	3,586	1.1	-0.93	-46.5	114,815	52.7
Lower Paxton	0.8750	2,293,908	—	—	21,868	1.0	-0.73	-45.5	205,646	9.8
Lower Swatara	2.0200	1,123,461	—	—	27,702	2.5	-1.55	-43.4	174,518	18.4
Lykens	0.2278	13,214	—	—	-502	-3.7	-0.27	-54.4	963	7.9
Middle Paxton	—	—	—	—	—	—	—	—	—	—
Mifflin	0.5000	16,657	—	—	-755	-4.3	-0.50	-50.0	1,108	7.1
Reed	2.0000	20,879	—	—	-392	-1.8	-1.00	-33.3	984	4.9
Rush	0.2498	2,108	—	—	56	2.7	-0.20	-44.8	228	12.1
South Hanover	0.4611	118,378	—	—	2,509	2.2	-0.42	-47.4	11,335	10.6
Susquehanna ❖	1.6128	2,288,210	—	—	52,087	2.3	-1.49	-48.0	236,478	11.5
Swatara ❖	1.8400	2,316,529	—	—	-5,114	-0.2	-1.12	-37.8	350,615	17.8
Upper Paxton	0.4780	83,188	-0.10	-17.9	-16,953	-16.9	-0.98	-67.2	-25,004	-23.1
Washington	1.4400	153,432	—	—	789	0.5	-1.06	-42.4	35,093	29.7
Wayne	0.5174	31,172	—	—	-16	-0.1	-0.49	-48.4	5,645	22.1
West Hanover	1.1857	511,824	0.06	5.6	67,708	15.2	-1.22	-50.8	111,627	27.9
Wiconisco	3.1000	83,563	1.10	55.0	26,602	46.7	-0.40	-11.4	40,188	92.7
Williams	1.4613	39,480	—	—	302	0.8	-1.14	-43.8	-1,644	-4.0

❖ First Class Township

^{1/} Tax rates and levies 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 54.4 percent in 1998 and 93.5 percent in 2002—the most recent figure available.

^{2/} The gross real estate tax levy is the potential tax yield based on the millage and the certified 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.

^{3/} Includes Dauphin County's library millage of 0.233 for 2003 and 2002; the 1998 rate was 0.30 mill. This tax is in effect in all municipalities except Derry Township and Middletown Borough. The 2003 tax levy for library purposes is \$2,531,022—up by \$27,478 or 1.1 percent from 2002 and by \$216,615 or 9.4 percent from 1998. The county's general purpose real estate tax levy in 2003 is \$62,412,548—up by \$758,268 or 1.2 percent from 2002 and by \$11,376,038 or 22.3 percent from 1998.

^{4/} Figures represent the single millage equivalent of the split tax rate on land and improvements and the resulting combined tax levy.

EXHIBIT II

Dauphin County
County and Municipal Assessed Valuations^{1/}
 2003

COUNTY:	2003 Assessed Valuation	Change 2002 to 2003		Change 1998 to 2003	
		\$	%	\$	%
Dauphin	\$12,908,489,674	156,828,901	1.2	6,604,572,874	104.8
CITY:					
Harrisburg—Total	1,677,773,400	-18,063,900	-1.1	766,885,100	84.2
Land	366,019,200	-4,981,800	-1.3	226,280,600	161.9
Improvements	1,311,754,200	-13,082,100	-1.0	540,604,500	70.1
BOROUGHES:					
Berrysburg	8,606,600	65,000	0.8	4,273,600	98.6
Dauphin	27,921,100	529,700	1.9	15,478,000	124.4
Elizabethville	41,169,700	-23,400	-0.1	22,962,200	126.1
Gratz	25,143,000	-310,600	-1.2	14,090,400	127.5
Halifax	19,959,300	95,000	0.5	11,576,600	138.1
Highspire	75,779,800	-49,200	-0.1	38,663,900	104.2
Hummelstown	175,666,400	2,973,700	1.7	107,718,200	158.5
Lykens	43,290,200	206,900	0.5	23,461,400	118.3
Middletown	263,502,200	1,441,500	0.6	136,427,700	107.4
Millersburg	77,455,200	-969,700	-1.2	38,590,400	99.3
Paxtang	66,309,300	195,700	0.3	34,786,700	110.4
Penbrook	87,048,500	-100,100	-0.1	46,858,600	116.6
Pillow	8,090,800	12,300	0.2	4,301,200	113.5
Royalton	26,125,900	-191,800	-0.7	16,808,800	180.4
Steelton	145,605,600	1,918,000	1.3	73,063,700	100.7
Williamstown	25,436,800	35,400	0.1	13,661,000	116.0
TOWNSHIPS:					
Conewago	151,607,800	3,785,400	2.6	79,301,300	109.7
Derry	1,782,230,100	37,452,000	2.1	870,649,100	95.5
East Hanover	304,121,201	11,032,201	3.8	156,597,101	106.2
Halifax	145,490,273	239,200	0.2	74,618,073	105.3
Jackson	73,991,600	1,382,900	1.9	40,708,400	122.3
Jefferson	20,480,400	-99,900	-0.5	12,490,100	156.3
Londonderry	310,767,300	3,351,400	1.1	201,914,400	185.5
Lower Paxton	2,621,608,900	24,991,600	1.0	1,320,430,000	101.5
Lower Swatara	556,168,600	13,713,700	2.5	290,358,100	109.2
Lykens	58,005,900	-2,203,700	-3.7	33,503,200	136.7
Middle Paxton	275,977,600	4,654,000	1.7	157,085,800	132.1
Mifflin	33,314,100	-1,510,500	-4.3	17,765,200	114.3
Reed	10,439,500	-196,200	-1.8	3,807,800	57.4
Rush	8,441,200	225,000	2.7	4,285,700	103.1
South Hanover	256,728,700	5,439,400	2.2	134,609,900	110.2
Susquehanna ❖	1,418,781,200	32,296,400	2.3	756,932,100	114.4
Swatara ❖	1,258,982,900	-2,779,400	-0.2	594,822,900	89.6
Upper Paxton	174,034,300	1,970,600	1.1	99,716,800	134.2
Washington	106,550,000	548,200	0.5	59,214,500	125.1
Wayne	60,247,700	-30,900	-0.1	34,785,300	136.6
West Hanover	431,664,200	36,121,300	9.1	265,607,200	159.9
Wiconisco	26,955,700	-1,524,900	-5.4	14,562,800	117.5
Williams	27,016,700	206,600	0.8	11,199,600	70.8

❖ First Class Township

^{1/} Valuations 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 54.4 percent in 1998 and 93.5 percent in 2002—the most recent figure available.