

August 2003

Lancaster County

COUNTY AND MUNICIPAL REAL ESTATE TAX LEVIES FOR 2003 RISE BY 7.9 PERCENT SINCE LAST YEAR AND BY 27.4 PERCENT IN THE PAST FIVE YEARS

The gross real estate tax levy for 2003 for Lancaster County, Lancaster City, and the county's boroughs and townships totals \$108,310,930, which is \$788,653 or 7.9 percent higher than in 2002. (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 \$5,690,924 or 9.4 percent between 2002 and 2003 to \$66,541,463. Real estate tax levies also increased in 50 of the county's 60 municipalities; they decreased in six; and in four (Conoy, Elizabeth, Martic, and Rapho townships) there were no real estate taxes in 2002 and 2003. The largest dollar increase in tax levy among the county's municipalities since last year occurred in Lancaster City (\$1,022,623); the largest proportionate increase was recorded in Lancaster Township (77.4 percent). The decreases in real estate tax levies were experienced in the boroughs of Manheim (\$1,067 or 0.2 percent), Marietta (\$1,178 or 0.4 percent), Millersville (\$642 or 0.1 percent), and Mount Joy (\$1,199 or 0.2 percent) and in the townships of Colerain (\$87 or 0.1 percent) and Drumore (\$2,261 or 5.9 percent). (See Exhibit I.)

For the five-year period beginning in 1998, the combined gross real estate tax levy of the county and its 60 municipalities rose by \$23,299,604 or 27.4 percent. Lancaster County's real estate tax levy increased by \$12,442,633 or 23.0 percent. Levies also rose in 53 of the municipalities during this period; they decreased in three; and in Conoy, Elizabeth, Martic, and Rapho townships there were no real estate taxes in either 1998 or 2003. The largest dollar increase in tax levy among the county's municipalities during the five-year period was recorded in Lancaster City (\$4,438,542); the largest proportionate increase occurred in West Lampeter Township (258.6 percent). Drumore Township, which did not levy a real estate tax in 1998, has a 2003 real estate tax levy of \$35,891. The decreases in tax levies during the five-year period were experienced in Millersville Borough (\$28,348 or 4.0 percent) and the townships of Bart (\$12,968 or 13.8 percent) and Little Britain (\$5,088 or 6.5 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 1998 to 2003 (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 have experienced 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 2003 in Lancaster County’s boroughs total \$9,539,972 and range from \$121,345 in Mountville to \$1,879,287 in Columbia; the levies in the townships total \$17,602,289 and range from \$28,448 in Fulton to \$4,987,835 in Manheim. The tax levies in the boroughs rose by \$453,884 or 5.0 percent over 2002 and by \$2,217,045 or 30.3 percent since 1998. Levies in the townships during these two periods increased by \$721,222 or 4.3 percent and \$4,291,384 or 32.2 percent, respectively. Lancaster City’s 2003 real estate tax levy is \$14,627,206—up by \$1,022,623 or 7.5 percent from 2002 and by \$4,348,542 or 42.3 percent from 1998.

Real estate tax millages for general purposes (and for special purposes if levied throughout the jurisdiction) increased in seven of the county’s municipalities between 2002 and 2003 and were unchanged in the remaining 53. The millage increases were experienced in Lancaster City (0.65 mill or 8.6 percent); in the boroughs of Columbia (0.75 mills or 13.9 percent), Denver (0.18 mill or 10.3 percent), and New Holland (0.50 mill or 33.3 percent); and in the townships of East Donegal (0.25 mill or 16.7 percent), East Lampeter (0.12 mill or 14.5 percent), and Lancaster (0.30 mill or 75.0 percent). (See Exhibit I.)

Lancaster County’s 2003 real estate tax millage increased by 0.234 mill or 9.0 percent to 2.85 mills.

General purpose real estate tax millages are higher in 2003 than in 1998 in 34 county municipalities, lower in three, and unchanged in the remaining 23. The largest millage increases during the five-year period were recorded in Lancaster City (2.360 mills) and Christiana Borough (2.450 mills). The largest proportionate increases were experienced in the townships of West Cocalico (200.0 percent) and West Lampeter (197.9 percent). Drumore Township, which did not levy real estate taxes in 1998, has a 2003 millage of 0.20 mill. The decreases occurred in Millersville Borough (0.168 mill or 5.3 percent) and in the townships of Bart (0.100 mill or 12.5 percent) and Little Britain (0.050 mill or 10.6 percent).

Lancaster County’s millage is up by 0.312 mill or 12.3 percent since 1998.

Real estate millages in Lancaster County's boroughs now range from 1.15 in Mountville to 6.15 in Columbia; millages in the townships range from 0.20 in Caernarvon, Drumore, and West Hempfield to 2.20 in Manheim. Conoy, Elizabeth, Martic, and Rapho townships did not levy real estate taxes in 2003. Lancaster City's real estate millage is 8.24 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, 11 Lancaster County municipalities report garbage collection fees in 2003 of \$2.75 on a per bag basis and between \$113 and \$160 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 2003 totals \$23.4 billion, an increase of \$84.9 million or 0.4 percent over 2002. Assessed valuations rose in 53 of the county's 60 municipalities ranging from \$15,500 in Terre Hill Borough to \$36,816,700 in Manheim Township. Proportionately, the increases ranged from less than 0.1 percent in Terre Hill Borough to 4.2 percent in Mount Joy Township. Decreases in assessed valuations were experienced in Lancaster City (\$17,288,800 or 1.0 percent); the boroughs of Manheim (\$427,000 or 0.2 percent), Marietta (\$336,800 or 0.4 percent), Millersville (\$213,900 or 0.1 percent), and Mount Joy (\$461,100 or 0.2 percent); and in the townships of Colerain (\$145,000 or 0.1 percent) and Drumore (\$11,302,800 or 5.9 percent). (See Exhibit II.)

For the five-year period beginning in 1998, Lancaster County's assessed valuation rose by \$2.03 billion or 9.5 percent. Assessed valuations increased in 56 of the county's municipalities during this period. The largest absolute increase occurred in Manheim Township (\$207,048,600); the largest proportionate increase was in Warwick Township (24.6 percent). Decreases were recorded in the boroughs of Christiana (\$664,600 or 1.7 percent), Manheim (\$3,712,300 or 1.8 percent), and Marietta (\$626,300 or 0.7 percent) and in Bart Township (\$1,799,700 or 1.5 percent). (See Exhibit II.)

The 2003 assessed valuations in Lancaster County's 18 boroughs range from \$38,453,300 in Christiana to \$555,763,100 in Ephrata; the range in the 41 townships is from \$81,583,800 in Eden to \$2,267,197,600 in Manheim. Lancaster City's 2003 assessed valuation is \$1,775,146,400.

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 95.6 percent in 1998 and 85.9 percent in 2002—the most recent figure available. The county most recently reassessed in 1997.

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/}
2003

	2003		Change 2002 to 2003				Change 1998 to 2003			
	Tax	Gross Tax	Tax Rate		Gross Tax Levy		Tax Rate		Gross Tax Levy	
	Millage ^{2/}	Levy ^{3/}	Mills	%	\$	%	Mills	%	\$	%
COUNTY:										
Lancaster	2.85	\$66,541,463	0.234	9.0	5,690,924	9.4	0.312	12.3	12,442,633	23.0
CITY:										
Lancaster	8.24	14,627,206	0.650	8.6	1,022,623	7.5	2.360	40.1	4,348,542	42.3
BOROUGHES:										
Adamstown	2.18	147,913	—	—	1,827	1.3	0.750	52.4	59,712	67.7
Akron	1.65	261,627	—	—	599	0.2	—	—	8,430	3.3
Christiana	4.00	153,813	—	—	1,401	0.9	2.450	158.1	93,180	153.7
Columbia	6.15	1,879,287	0.750	13.9	233,279	14.2	1.714	38.6	524,959	38.8
Denver	1.93	274,203	0.180	10.3	30,380	12.5	0.180	10.3	48,127	21.3
East Petersburg	2.32	456,685	—	—	569	0.1	0.800	52.6	162,485	55.2
Elizabethtown	3.10	1,210,798	—	—	8,342	0.7	0.500	19.2	227,008	23.1
Ephrata	1.59	881,996	—	—	4,735	0.5	—	—	10,424	1.2
Lititz	1.50	592,804	—	—	6,487	1.1	0.375	33.3	159,195	36.7
Manheim	2.50	512,622	—	—	-1,067	-0.2	0.500	25.0	95,100	22.8
Marietta	3.50	299,019	—	—	-1,178	-0.4	0.900	34.6	75,262	33.6
Millersville	3.00	681,685	—	—	-642	-0.1	-0.168	-5.3	-28,348	-4.0
Mount Joy	2.60	771,500	—	—	-1,199	-0.2	0.750	40.5	261,570	51.3
Mountville	1.15	121,345	—	—	1,718	1.4	0.230	25.0	38,732	46.9
New Holland	2.00	602,398	0.500	33.3	156,355	35.1	0.670	50.4	237,029	64.9
Quarryville	2.90	312,848	—	—	9,443	3.1	1.300	81.2	162,269	107.8
Strasburg	2.00	257,831	—	—	2,792	1.1	0.400	25.0	59,630	30.1
Terre Hill	2.80	121,598	—	—	43	<0.1	0.500	21.7	22,281	22.4
TOWNSHIPS:										
Bart	0.70	80,697	—	—	985	1.2	-0.100	-12.5	-12,968	-13.8
Brecknock	0.30	93,332	—	—	976	1.1	—	—	9,414	11.2
Caernarvon	0.20	39,898	—	—	398	1.0	—	—	1,623	4.2
Clay	0.63	157,316	—	—	4,279	2.8	—	—	16,408	11.6
Colerain	0.60	95,659	—	—	-87	-0.1	0.200	50.0	32,064	50.4
Conestoga	0.81	131,197	—	—	130	0.1	—	—	6,442	5.2
Conoy	—	—	—	—	—	—	—	—	—	—
Drumore	0.20	35,891	—	—	-2,261	-5.9	0.200	NA	35,891	NA
Earl	1.00	346,052	—	—	9,875	2.9	—	—	48,968	16.5
East Cocalico	1.25	714,981	—	—	10,048	1.4	0.250	25.0	237,224	49.7
East Donegal	1.75	536,860	0.250	16.7	92,391	20.8	0.750	75.0	276,092	105.9
East Drumore	0.40	71,850	—	—	1,098	1.6	—	—	4,543	6.7
East Earl	0.80	240,869	—	—	4,814	2.0	0.310	63.3	103,644	75.5
East Hempfield	1.20	1,926,910	—	—	31,606	1.7	—	—	181,384	10.4
East Lampeter	0.95	1,078,651	0.120	14.5	149,779	16.1	0.120	14.5	237,547	28.2
Eden	0.70	57,109	—	—	604	1.1	—	—	3,124	5.8
Elizabeth	—	—	—	—	—	—	—	—	—	—
Ephrata	1.50	575,943	—	—	12,607	2.2	0.230	18.1	144,806	33.6
Fulton	0.22	28,448	—	—	759	2.7	—	—	1,595	5.9
Lancaster	0.70	451,542	0.300	75.0	197,018	77.4	0.300	75.0	206,660	84.4
Leacock	0.50	119,439	—	—	1,037	0.9	—	—	6,561	5.8
Little Britain	0.42	73,063	—	—	1,204	1.7	-0.050	-10.6	-5,088	-6.5
Manheim ❖	2.20	4,987,835	—	—	80,997	1.7	—	—	455,507	10.1
Manor	0.90	810,075	—	—	21,266	2.7	0.050	5.9	146,161	22.0
Martic	—	—	—	—	—	—	—	—	—	—
Mount Joy	1.45	628,755	—	—	25,144	4.2	0.850	141.7	402,607	178.0
Paradise	1.50	311,528	—	—	2,835	0.9	0.550	57.9	116,303	59.6
Penn	0.75	279,932	—	—	5,704	2.1	0.250	50.0	112,301	67.0
Pequea	1.70	396,825	—	—	4,558	1.2	0.576	51.3	146,392	58.5

EXHIBIT I

Lancaster 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 ^{2/}	Gross Tax Levy ^{3/}	Tax Rate		Gross Tax Levy		Tax Rate		Gross Tax Levy	
			Mills	%	\$	%	Mills	%	\$	%
TOWNSHIPS :										
Providence	0.22	\$60,300	—	—	726	1.2	—	—	3,798	6.7
Rapho	—	—	—	—	—	—	—	—	—	—
Sadsbury	0.75	104,430	—	—	3,116	3.1	—	—	2,179	2.1
Salisbury	0.23	97,887	—	—	1,192	1.2	—	—	5,556	6.0
Strasburg	0.50	107,321	—	—	930	0.9	0.100	25.0	27,609	34.6
Upper Leacock	1.31	628,935	—	—	5,923	1.0	0.510	63.8	281,560	81.1
Warwick	0.33	274,117	—	—	6,408	2.4	—	—	54,094	24.6
West Cocalico	1.50	466,470	—	—	4,748	1.0	1.000	200.0	316,009	210.0
West Donegal	1.50	579,488	—	—	16,326	2.9	—	—	105,024	22.1
West Earl	1.00	305,186	—	—	5,481	1.8	0.500	100.0	164,500	116.9
West Hempfield	0.20	155,995	—	—	2,816	1.8	—	—	18,134	13.2
West Lampeter	0.70	551,503	—	—	15,792	2.9	0.465	197.9	397,716	258.6

❖ First Class Township.

NA = Not Applicable

^{1/} Tax rates and levies for 1998, 2002, and 2003 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 95.6 percent in 1998 and 85.9 percent in 2002—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 August 2003

EXHIBIT II

Page 1 of 2

Lancaster County
Assessed Valuations^{L/}
2003

	2003 Assessed	Change 2002 to 2003		Change 1998 to 2003	
	Valuation	\$	%	\$	%
COUNTY:					
Lancaster	\$23,372,484,300	84,868,800	0.4	2,031,723,100	9.5
CITY:					
Lancaster	1,775,146,400	-17,288,800	-1.0	27,074,300	1.5
BOROUGHES:					
Adamstown	67,850,000	838,300	1.3	6,170,900	10.0
Akron	158,561,600	362,700	0.2	5,108,600	3.3
Christiana	38,453,300	350,300	0.9	-664,600	-1.7
Columbia	305,575,200	758,900	0.2	271,300	0.1
Denver	142,074,300	2,746,900	2.0	12,888,200	10.0
East Petersburg	196,677,300	245,000	0.1	3,379,200	1.7
Elizabethtown	390,580,000	2,690,900	0.7	12,199,200	3.2
Ephrata	555,763,100	2,983,600	0.5	6,568,300	1.2
Lititz	395,202,600	4,324,900	1.1	9,772,300	2.5
Manheim	205,048,700	-427,000	-0.2	-3,712,300	-1.8
Marietta	85,433,900	-336,800	-0.4	-626,300	-0.7
Millersville	227,228,400	-213,900	-0.1	3,101,700	1.4
Mount Joy	296,730,900	-461,100	-0.2	21,093,100	7.7
Mountville	105,517,600	1,494,300	1.4	15,721,100	17.5
New Holland	301,198,900	3,837,100	1.3	26,485,100	9.6
Quarryville	107,878,500	3,256,100	3.1	13,766,700	14.6
Strasburg	128,915,600	1,396,000	1.1	5,040,100	4.1
Terre Hill	43,428,000	15,500	<0.1	246,600	0.6
TOWNSHIPS:					
Bart	115,281,700	1,407,700	1.2	-1,799,700	-1.5
Brecknock	311,105,800	3,253,300	1.1	31,378,700	11.2
Caernarvon	199,488,600	1,987,700	1.0	8,113,900	4.2
Clay	247,819,200	6,740,400	2.8	25,847,100	11.6
Colerain	159,432,000	-145,000	-0.1	445,400	0.3
Conestoga	162,573,800	161,100	0.1	7,983,100	5.2
Conoy	130,300,600	2,076,100	1.6	14,030,100	12.1
Drumore	179,457,100	-11,302,800	-5.9	68,205,700	61.3
Earl	346,051,800	9,874,800	2.9	48,967,700	16.5
East Cocalico	571,985,100	8,038,500	1.4	94,228,200	19.7
East Donegal	306,777,100	10,464,400	3.5	46,009,400	17.6
East Drumore	179,625,300	2,744,100	1.6	11,356,700	6.7
East Earl	301,086,600	6,017,500	2.0	21,036,100	7.5
East Hempfield	1,605,758,500	26,338,900	1.7	151,153,500	10.4
East Lampeter	1,135,421,900	16,299,600	1.5	122,043,400	12.0
Eden	81,583,800	862,500	1.1	4,462,500	5.8
Elizabeth	179,587,400	1,720,000	1.0	5,481,600	3.1
Ephrata	383,962,300	8,404,700	2.2	44,484,500	13.1
Fulton	129,309,400	3,451,300	2.7	7,251,900	5.9
Lancaster	645,059,500	8,748,700	1.4	32,855,500	5.4
Leacock	238,878,700	2,074,500	0.9	13,121,800	5.8
Little Britain	173,959,000	2,865,400	1.7	7,680,600	4.6
Manheim ❖	2,267,197,600	36,816,700	1.7	207,048,600	10.1
Manor	900,083,600	23,629,500	2.7	119,008,100	15.2
Martic	253,045,300	2,912,200	1.2	24,113,700	10.5
Mount Joy	433,624,300	17,340,600	4.2	56,710,800	15.0
Paradise	207,685,500	1,889,900	0.9	2,185,000	1.1
Penn	373,242,300	7,605,000	2.1	37,980,300	11.3
Pequea	233,426,700	2,681,200	1.2	10,551,900	4.7
Providence	274,088,700	3,296,200	1.2	17,262,900	6.7
Rapho	458,759,500	17,428,400	3.9	48,604,400	11.9
Sadsbury	139,239,700	4,153,800	3.1	2,905,400	2.1

EXHIBIT II

Lancaster County
Assessed Valuations^{1/}
2003

	2003 Assessed Valuation	Change 2002 to 2003		Change 1998 to 2003	
		\$	%	\$	%
TOWNSHIPS:					
Salisbury	\$425,597,800	5,183,000	1.2	24,158,100	6.0
Strasburg	214,641,900	1,859,200	0.9	15,361,700	7.7
Upper Leacock	480,103,200	4,521,500	1.0	45,884,900	10.6
Warwick	829,651,500	19,395,500	2.4	163,721,200	24.6
West Cocalico	310,980,000	3,165,400	1.0	10,058,900	3.3
West Donegal	386,325,500	10,884,400	2.9	70,016,200	22.1
West Earl	305,186,400	5,481,200	1.8	23,814,300	8.5
West Hempfield	779,974,500	14,079,700	1.8	90,669,100	13.2
West Lampeter	787,860,800	22,559,600	2.9	133,446,400	20.4

❖ First Class Township.

^{1/} Valuations for 1998, 2002, and 2003 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 95.6 percent in 1998 and 85.9 percent in 2002—the most recent figure available.

SOURCE: Lancaster County Assessment Office.

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