

August 2003

## Northampton County

### **COUNTY AND MUNICIPAL REAL ESTATE TAX LEVIES FOR 2003 RISE BY 15.2 PERCENT SINCE LAST YEAR AND BY 25.8 PERCENT IN THE PAST FIVE YEARS**

**The gross real estate tax levy** for 2003 for Northampton County, Bethlehem and Easton cities, and the county's boroughs and townships totals \$92,082,750, which is \$12,135,006 or 15.2 percent higher than in 2002. (The gross real estate tax levy is the potential tax yield based on millages and certified taxable valuations; it is not necessarily the amount of real estate tax revenues budgeted by jurisdictions or the amount which they expect to receive.)

Northampton County's gross real estate tax levy increased by \$8,943,585 or 22.6 percent between 2002 and 2003 to \$48,550,671. Real estate tax levies also rose in 34 of the county's 38 municipalities; they declined in three—the boroughs of Chapman (\$16 or 0.6 percent) and Glendon (\$1,228 or 2.5 percent) and Lower Mt. Bethel Township (\$3,105 or 1.2 percent); and they were unchanged in one—Portland Borough. The largest dollar increases occurred in Bethlehem City (\$938,186) and Wilson Borough (\$418,766); the largest proportionate increases were the townships of Lower Nazareth (45.1 percent) and Upper Mt. Bethel (66.3 percent). (See Exhibit I.)

For the five-year period beginning in 1998, the combined real estate tax levy of the county and its municipalities rose by \$18,862,082 or 25.8 percent. Northampton County's real estate tax levy increased by \$11,867,641 or 32.4 percent during this period. Levies also rose in 37 municipalities; they decreased in one—East Bangor Borough (\$10,522 or 7.7 percent). The largest dollar increases in tax levy during the five-year period were in Bethlehem City (\$889,281), Wilson Borough (\$607,581), and the townships of Bethlehem (\$623,740), Forks (\$528,728), and Palmer (\$643,042); the largest proportionate increase occurred in Lower Nazareth Township (164.4 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 Northampton County during the period 1998 to 2003 (and, in conjunction with the real estate millages perhaps the gross tax levies as well) have been influenced by several significant events. 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) 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 and tax levy 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 and tax levies in Northampton County during the five-year period under review.

Real estate tax levies for 2003 in Northampton County’s boroughs total \$9,759,163 and range from \$2,731 in Chapman to \$1,643,969 in Wilson; the levies in the townships total \$14,571,335 and range from \$163,946 in Plainfield to \$3,157,752 in Bethlehem. The 2003 tax levies in the boroughs rose by \$1,153,291 or 13.4 percent over 2002 and by \$2,481,891 or 34.1 percent over 1998. Levies in the townships during these two periods of time increased by \$1,089,797 or 8.1 percent and \$3,568,797 or 32.4 percent, respectively. Bethlehem City’s tax levy in 2003 is \$15,068,830—\$938,186 (6.6 percent) higher than in 2002 and \$899,281 (6.3 percent) higher than in 1998. Easton City’s 2003 levy is \$4,132,571—up by \$10,147 (0.2 percent) from last year and by \$44,472 (1.1 percent) from five years ago.

**Real estate tax millages** for general purposes (and for special purposes if levied throughout the jurisdiction) increased in 10 of the county’s 38 municipalities between 2002 and 2003 and were unchanged in 28. The largest absolute millage increases occurred in the boroughs of Hellertown (2.0 mills) and Wilson (2.0 mills); the largest proportionate increase was recorded in Upper Mt. Bethel Township (62.5 percent). (See Exhibit I.)

Bethlehem City’s 2003 millage increased by 0.60 mill or 5.5 percent from 2002 (to 11.50 mills); Easton City’s millage remained unchanged for 2003 (at 12.00 mills). Northampton County’s millage for 2003 increased by 1.20 mills or 19.0 percent from last year to 7.50 mills.

For the five-year period beginning in 1998, millages rose in 22 municipalities, decreased in one—East Bangor (1.00 mill or 10.5 percent), and were unchanged in the remaining 15. The largest absolute millage increase during this period occurred in Wilson Borough (3.35 mills); the largest proportionate increase was in Lower Nazareth Township (138.6 percent). Bethlehem City’s millage increased by 0.60 mill or 5.5 percent during the five-year period. Millages remained unchanged from 1998 in the City of Easton; in the boroughs of Freemansburg, Glendon, North Catasauqua, and Portland; and in the townships of Bethlehem, East Allen, Forks, Hanover, Lower Mt. Bethel, Lower Saucon, Upper Nazareth, Washington, and Williams.

Northampton County’s 2003 tax rate is 1.10 mills or 17.2 percent higher than in 1998.

Real estate millage rates in Northampton County’s boroughs now range from 0.75 in Chapman to 13.0 in Bangor; millages in the townships range from 1.0 in Moore and Plainfield to 5.25 in Palmer. Bethlehem City’s real estate tax rate for 2003 is 11.5 mills; Easton’s is 12.0 mills.

In addition to the general purpose and municipal-wide special purpose real estate taxes mentioned above, some municipalities may 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, 17 Northampton County municipalities report annual garbage collection fees in 2003 ranging from \$110 to \$197 per household. Also, various nonproperty taxes, particularly those levied under Act 511, are widely used by Northampton 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 Northampton County for 2003 totals \$6,473,422,800, an increase of \$186,583,700 or 3.0 percent from 2002. Assessed valuations rose in 34 of the county's 38 municipalities since last year ranging from \$18,300 (less than 0.1 percent) in Bangor Borough to \$35,601,100 (11.2 percent) in Forks Township. Decreases in assessed valuation were recorded in the boroughs of Chapman (\$22,100 or 0.6 percent) and Glendon (\$258,400 or 2.5 percent) and in Lower Mt. Bethel Township (\$1,001,700 or 1.2 percent). The assessed valuation was unchanged in Portland Borough. (See Exhibit II.)

Bethlehem City recorded an increase in assessed valuation of \$13,943,650 or 1.1 percent—its Northampton County portion increased by \$9,796,500 (1.1 percent), while its Lehigh County portion rose by \$4,147,150 (0.9 percent). Easton City's assessed valuation for 2003 increased by \$845,600 or 0.2 percent.

For the five-year period beginning in 1998, Northampton County's assessed valuation grew by \$741,699,300 or 12.9 percent. Assessed valuations are higher in 2003 than in 1998 in 36 of the county's municipalities; decreases were recorded in two—the boroughs of Chapman (\$18,100 or 0.5 percent) and West Easton (\$504,400 or 2.2 percent). The largest dollar increase was recorded in Bethlehem Township (\$131,590,800); the largest proportionate increase was in Forks Township (48.2 percent).

The 2003 assessed valuations in Northampton County's 19 boroughs range from \$3,640,900 in Chapman to \$192,988,700 in Northampton, while the range in the 17 townships is from \$75,896,200 in Allen to \$666,192,400 in Bethlehem. Bethlehem City's total valuation is \$1,310,333,000 (the Northampton County portion is \$868,926,800—the Lehigh County portion is \$441,406,200); Easton City's 2003 valuation is \$344,380,900.

The county's predetermined assessment ratio for 1998, 2002, and 2003 is 50 percent of market value. The common level ratio of assessed values to selling prices as determined by the State Tax Equalization Board (STEB) was 50.0 percent in 1998 and 42.6 percent in 2002 (the most recent figure available). The county most recently reassessed in 1995.

**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 Northampton County and throughout Pennsylvania.

EXHIBIT I

**Northampton County**  
County and Municipal Real Estate Tax Rates and Gross Tax Levies <sup>1/</sup>  
 2003

	2003		Change 2002 to 2003				Change 1998 to 2003			
	Tax Millage	Gross Tax Levy <sup>2/</sup>	Tax Rate		Gross Tax Levy		Tax Rate		Gross Tax Levy	
			Mills	%	\$	%	Mills	%	\$	%
<b>COUNTY:</b>										
Northampton <sup>HR/</sup>	7.50	\$48,550,671	1.20	19.0	8,943,585	22.6	1.10	17.2	11,867,641	32.4
<b>CITIES:</b>										
Bethlehem	11.50	15,068,830	0.60	5.5	938,186	6.6	0.60	5.5	899,281	6.3
Easton	12.00	4,132,571	—	—	10,147	0.2	—	—	44,472	1.1
<b>BOROUGHES:</b>										
Bangor	13.00	1,105,910	—	—	238	—	2.50	23.8	220,843	25.0
Bath	8.00	407,558	—	—	10,068	2.5	1.00	14.3	113,139	38.4
Chapman	0.75	2,731	—	—	-16	-0.6	0.25	50.0	901	49.2
East Bangor	8.50	125,842	—	—	2,889	2.3	-1.00	-10.5	-10,522	-7.7
Freemansburg	9.26	309,823	—	—	29,076	10.4	—	—	33,031	11.9
Glendon	4.75	48,835	—	—	-1,228	-2.5	—	—	221	0.5
Hellertown	10.60	1,280,058	2.00	23.3	245,469	23.7	2.00	23.3	271,505	26.9
Nazareth	9.20	1,069,594	1.00	12.2	125,022	13.2	2.00	27.8	258,855	31.9
Northampton	6.91	1,333,552	1.00	16.9	212,768	19.0	1.60	30.1	397,551	42.5
North Catasauqua	8.01	414,638	—	—	4,546	1.1	—	—	10,913	2.7
Pen Argyl	6.83	430,602	0.95	16.2	64,023	17.5	1.93	39.4	134,535	45.4
Portland	9.32	120,325	—	—	—	—	—	—	22,794	23.4
Roseto	4.75	142,299	0.35	8.0	11,663	8.9	0.35	8.0	17,152	13.7
Stockertown	9.50	264,724	—	—	7,730	3.0	3.25	52.0	120,916	84.1
Tatamy	8.50	182,897	—	—	13,729	8.1	0.80	10.4	40,174	28.1
Walnutport	10.50	415,485	—	—	2,016	0.5	1.50	16.7	73,266	21.4
West Easton	5.00	112,809	—	—	296	0.3	1.50	42.9	32,077	39.7
Wilson	11.00	1,643,969	2.00	22.2	418,766	34.2	3.35	43.8	607,581	58.6
Wind Gap	5.75	347,512	—	—	6,236	1.8	2.05	55.4	136,959	65.0
<b>TOWNSHIPS:</b>										
Allen	4.50	341,533	—	—	14,493	4.4	1.25	38.5	134,183	64.7
Bethlehem <sup>❖</sup>	4.74	3,157,752	—	—	118,420	3.9	—	—	623,740	24.6
Bushkill	3.26	652,730	—	—	16,812	2.6	1.00	44.2	266,357	68.9
East Allen	2.14	309,875	—	—	4,110	1.3	—	—	26,059	9.2
Forks	4.60	1,625,358	—	—	163,765	11.2	—	—	528,728	48.2
Hanover	4.25	1,730,441	—	—	66,909	4.0	—	—	262,545	17.9
Lehigh	2.21	526,223	—	—	10,203	2.0	0.40	22.1	134,658	34.4
Lower Mt. Bethel	3.10	252,422	—	—	-3,105	-1.2	—	—	23,676	10.4
Lower Nazareth	3.15	699,595	0.90	40.0	217,375	45.1	1.83	138.6	435,046	164.4
Lower Saucon <sup>OP/</sup>	3.14	1,183,061	—	—	53,192	4.7	—	—	244,794	26.1
Moore	1.00	212,434	—	—	4,486	2.2	0.23	29.9	62,435	41.6
Palmer	5.25	2,647,748	0.25	5.0	188,845	7.7	0.75	16.7	643,042	32.1
Plainfield	1.00	163,946	—	—	5,535	3.5	—	—	16,807	11.4
Upper Mt. Bethel	3.25	497,771	1.25	62.5	198,367	66.3	0.25	8.3	81,661	19.6
Upper Nazareth	2.00	204,995	—	—	17,252	9.2	—	—	38,697	23.3
Washington	1.76	189,037	—	—	6,891	3.8	—	—	18,971	11.2
Williams	1.25	176,414	—	—	6,247	3.7	—	—	27,398	18.4

❖ First Class Township.

<sup>HR/</sup> Home Rule Charter municipality.

<sup>OP/</sup> Optional Plan municipality.

<sup>1/</sup> Tax rates and levies for 1998, 2002, and 2003 are based on certified municipal assessments at a predetermined 50 percent ratio. The Common Level Ratio of assessed values to selling prices as determined by the State Tax Equalization Board (STEB) was 50.0 percent in 1998 and 42.6 percent in 2002—the most recent figure available.

<sup>2/</sup> 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.

## EXHIBIT II

**Northampton County**  
Assessed Valuations<sup>1/</sup>  
 2003

	2003 Assessed Valuation	Change 2002 to 2003		Change 1998 to 2003	
		\$	%	\$	%
<b>COUNTY:</b>					
Northampton <sup>HR/</sup>	\$6,473,422,800	186,583,700	3.0	741,699,300	12.9
<b>CITIES:</b>					
Bethlehem <sup>2/</sup>	1,310,333,000	13,943,650	1.1	10,374,400	0.8
Bethlehem <sup>3/</sup>	868,926,800	9,796,500	1.1	13,515,400	1.6
Easton	344,380,900	845,600	0.2	3,706,000	1.1
<b>BOROUGHES:</b>					
Bangor	85,070,000	18,300	<0.1	777,900	0.9
Bath	50,944,800	1,258,600	2.5	8,885,000	21.1
Chapman	3,640,900	-22,100	-0.6	-18,100	-0.5
East Bangor	14,804,900	339,900	2.3	450,800	3.1
Freemansburg	33,458,200	3,139,900	10.4	3,567,100	11.9
Glendon	10,281,100	-258,400	-2.5	46,600	0.5
Hellertown	120,760,200	459,200	0.4	3,486,600	3.0
Nazareth	116,260,200	1,068,500	0.9	3,657,500	3.2
Northampton	192,988,700	3,346,800	1.8	16,717,400	9.5
North Catasauqua	51,765,100	567,600	1.1	1,362,500	2.7
Pen Argyl	63,045,700	702,400	1.1	2,623,800	4.3
Portland	12,910,400	—	—	2,445,700	23.4
Roseto	29,957,700	267,800	0.9	1,515,100	5.3
Stockertown	27,865,700	813,700	3.0	4,856,500	21.1
Tatamy	21,517,300	1,615,200	8.1	2,981,800	16.1
Walnutport	39,570,000	192,000	0.5	1,545,700	4.1
West Easton	22,561,800	59,200	0.3	-504,400	-2.2
Wilson	149,451,700	13,318,000	9.8	13,976,200	10.3
Wind Gap	60,436,900	1,084,600	1.8	3,530,700	6.2
<b>TOWNSHIPS:</b>					
Allen	75,896,200	3,220,700	4.4	12,096,100	19.0
Bethlehem <sup>❖</sup>	666,192,400	24,983,200	3.9	131,590,800	24.6
Bushkill	200,224,000	5,157,000	2.6	29,262,700	17.1
East Allen	144,801,400	1,920,700	1.3	12,177,100	9.2
Forks	353,338,800	35,601,100	11.2	114,940,900	48.2
Hanover	407,162,600	15,743,400	4.0	61,775,200	17.9
Lehigh	238,110,100	4,616,700	2.0	21,775,700	10.1
Lower Mt. Bethel	81,426,300	-1,001,700	-1.2	7,637,200	10.4
Lower Nazareth	222,093,600	7,773,500	3.6	21,677,400	10.8
Lower Saucon <sup>OP/</sup>	376,771,100	16,940,200	4.7	77,960,100	26.1
Moore	212,434,300	4,486,500	2.2	17,630,000	9.1
Palmer	504,333,000	12,552,500	2.6	58,842,800	13.2
Plainfield	163,946,400	5,535,500	3.5	16,807,800	11.4
Upper Mt. Bethel	153,160,200	3,458,300	2.3	14,456,900	10.4
Upper Nazareth	102,497,300	8,625,900	9.2	19,348,200	23.3
Washington	107,407,600	3,915,500	3.8	10,779,100	11.2
Williams	141,131,100	4,997,400	3.7	21,918,100	18.4

❖ First Class Township.

HR/ Home Rule Charter municipality.

OP/ Optional Plan municipality.

1/ Assessed valuations for 1998, 2002, and 2003 are based on certified municipal assessments at a predetermined 50 percent assessment ratio. The Common Level Ratio of assessed values to selling prices as determined by the State Tax Equalization Board (STEB) was 50.0 percent in 1998 and 42.6 percent in 2002—the most recent figure available.

2/ Includes both the Lehigh and Northampton County portions of Bethlehem City; this figure is used for determining the city's tax levy.

3/ Includes only the Northampton County portion of Bethlehem City; this figure is used in determining the county's tax levy.