



# Research Summary

## Pennsylvania Economy League

CENTRAL DIVISION

June 2002

### Northampton County

#### **COUNTY AND MUNICIPAL REAL ESTATE TAX LEVIES FOR 2002 RISE BY 3.6 PERCENT SINCE LAST YEAR AND BY 11.7 PERCENT IN THE PAST FIVE YEARS**

**The gross real estate tax levy** for 2002 for Northampton County, Bethlehem and Easton cities, and the county's boroughs and townships totals \$80,059,645, which is \$2,805,795 or 3.6 percent higher than in 2001. (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 \$1,091,943 or 2.8 percent between 2001 and 2002 to \$39,607,086. Real estate tax levies also rose in 36 of the county's 38 municipalities; they declined in one (Roseto Borough—\$5,556 or 4.1 percent), and were unchanged in one—Portland Borough. The largest dollar increases occurred in Wilson Borough (\$319,986) and Bushkill Township (\$214,372), which also recorded the largest proportionate increase (50.9 percent). (See Exhibit I.)

For the five-year period beginning in 1997, the combined real estate tax levy of the county and its municipalities rose by \$8,406,886 or 11.7 percent. Northampton County's real estate tax levy increased by \$3,541,992 or 9.8 percent during this period. Levies also rose in 35 municipalities; they decreased in three. The largest dollar increases in tax levy during the five-year period were in Bethlehem City (\$567,039) and the townships of Bethlehem (\$596,046), Forks (\$400,614), and Palmer (\$499,528); the largest proportionate increase occurred in Lower Nazareth Township (89.1 percent). The decreases were recorded in East Bangor Borough (\$13,646 or 10.0 percent) and the townships of Plainfield (\$25,883 or 14.0 percent) and Upper Mt. Bethel (\$178,602 or 37.4 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 1997 to 2002 (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 2002 in Northampton County’s boroughs total \$8,717,953 and range from \$2,747 in Chapman to \$1,337,284 in Wilson; the levies in the townships total \$13,481,538 and range from \$158,411 in Plainfield to \$3,039,332 in Bethlehem. The 2002 tax levies in the boroughs rose by \$713,552 or 8.9 percent over 2001 and by \$1,587,701 or 22.3 percent over 1997. Levies in the townships during these two periods of time increased by \$846,597 or 6.7 percent and \$2,695,223 or 25.0 percent, respectively. Bethlehem City’s tax levy in 2002 is \$14,130,644—\$112,130 (0.8 percent) higher than in 2001 and \$567,039 (4.2 percent) higher than in 1997. Easton City’s 2002 levy is \$4,122,424—up by \$41,573 (1.0 percent) from last year but by only \$14,931 (0.4 percent) from five years ago.

**Real estate tax millages** for general purposes (and for special purposes if levied throughout the jurisdiction) increased in 11 of the county’s 38 municipalities between 2001 and 2002, decreased in one—Roseto Borough (0.25 mill or 5.4 percent), and were unchanged in 26. The largest absolute millage increases occurred in the boroughs of Bangor (1.50 mills) and Wilson (1.35 mills), the largest proportionate increase was recorded in Chapman Borough (50.0 percent). (See Exhibit I.)

Bethlehem City’s 2002 millage remained unchanged from 2001 (at 10.90 mills), as was Easton City’s (at 12.00 mills). Northampton County’s millage for 2002 was also unchanged from last year at 6.30 mills.

For the five-year period beginning in 1997, millages rose in 21 municipalities, decreased in three, and were unchanged in the remaining 14. The largest absolute increase during this period occurred in Bangor Borough (2.50 mills). The largest proportionate increase was in Lower Nazareth Township (70.5 percent). Bethlehem City’s millage increased by 0.40 mill or 3.8 percent during the five-year period. The decreases in millage rates between 1997 and 2002 were recorded in East Bangor Borough (1.0 mill or 10.5 percent) and the townships of Plainfield (0.27 mill or 21.3 percent) and Upper Mt. Bethel (1.50 mills or 42.9 percent). During the five-year period millages remained unchanged in the City of Easton; in the boroughs of Freemansburg, Glendon, Hellertown, North Catasauqua, and Roseto; and in the townships of Bethlehem, East Allen, Forks, Hanover, Lower Saucon, Upper Nazareth, Washington, and Williams.

Northampton County’s tax rate was lower in 2002 than in 1997 by 0.10 mill or 1.6 percent.

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 4.74 in Bethlehem. Bethlehem City's real estate tax rate for 2002 is 10.9 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, 15 Northampton County municipalities report annual garbage collection fees in 2002 ranging from \$100 to \$185 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 2002 totals \$6,286,839,100, an increase of \$173,324,400 or 2.8 percent from 2001. Assessed valuations rose in 35 of the county's 38 municipalities since last year ranging from \$63,300 in East Bangor Borough to \$29,710,600 in Forks Township. One decrease in assessed valuation was recorded (Wind Gap Borough—\$16,400 or less than 0.1 percent), and assessed valuations were unchanged in the boroughs of Chapman and Portland. (See Exhibit II.)

Bethlehem City recorded an increase in assessed valuation of \$10,287,150 or 0.8 percent—its Northampton County portion increased by \$7,666,000 (0.9 percent), while its Lehigh County portion rose by \$2,621,150 (0.6 percent). Easton City's assessed valuation for 2002 also increased—by \$3,464,400 or 1.0 percent.

For the five-year period beginning in 1997, Northampton County's assessed valuation grew by \$651,668,200 or 11.6 percent. Assessed valuations are higher in 2002 than in 1997 in 37 of the county's municipalities; a decrease was recorded in one—West Easton Borough (\$548,500 or 2.4 percent). The largest dollar increase was recorded in the townships of Bethlehem (\$125,748,100); the largest proportionate increase was in Forks Township (37.8 percent).

The 2002 assessed valuations in Northampton County's 19 boroughs range from \$3,663,000 in Chapman to \$189,641,900 in Northampton, while the range in the 17 townships is from \$72,675,500 in Allen to \$641,209,200 in Bethlehem. Bethlehem City's total valuation is \$1,296,389,350 (the Northampton County portion is \$859,130,300—the Lehigh County portion is \$437,259,050); Easton City's 2002 valuation is \$343,535,300.

The county's predetermined assessment ratio for 1997, 2001, and 2002 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 53.5 percent in 1997 and 47.4 percent in 2000 (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>  
 2002

	2002		Change 2001 to 2002				Change 1997 to 2002			
	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>	6.30	\$39,607,086	—	—	1,091,943	2.8	-0.10	-1.6	3,541,992	9.8
<b>CITIES:</b>										
Bethlehem	10.90	14,130,644	—	—	112,130	0.8	0.40	3.8	567,039	4.2
Easton	12.00	4,122,424	—	—	41,573	1.0	—	—	14,931	0.4
<b>BOROUGHES:</b>										
Bangor	13.00	1,105,672	1.50	13.0	128,972	13.2	2.50	23.8	221,799	25.1
Bath	8.00	397,490	0.50	6.7	33,045	9.1	1.00	14.3	112,521	39.5
Chapman	0.75	2,747	0.25	50.0	915	49.9	0.25	50.0	959	53.6
East Bangor	8.50	122,953	—	—	539	0.4	-1.00	-10.5	-13,646	-10.0
Freemansburg	9.26	280,747	—	—	1,725	0.6	—	—	3,929	1.4
Glendon	4.75	50,063	—	—	5,823	13.2	—	—	1,622	3.3
Hellertown	8.60	1,034,589	—	—	14,295	1.4	—	—	32,428	3.2
Nazareth	8.20	944,572	—	—	2,723	0.3	2.00	32.3	245,836	35.2
Northampton	5.91	1,120,784	—	—	19,364	1.8	0.60	11.3	211,309	23.2
North Catasauqua	8.01	410,092	—	—	754	0.2	—	—	9,363	2.3
Pen Argyl	5.88	366,579	0.98	20.0	64,013	21.2	0.98	20.0	71,364	24.2
Portland	9.32	120,325	—	—	—	—	0.12	1.3	24,050	25.0
Roseto	4.40	130,636	-0.25	-5.4	-5,556	-4.1	—	—	6,962	5.6
Stockertown	9.50	256,994	—	—	15,599	6.5	2.25	31.0	91,470	55.3
Tatamy	8.50	169,168	—	—	8,056	5.0	0.80	10.4	26,803	18.8
Walnutport	10.50	413,469	1.00	10.5	42,944	11.6	1.50	16.7	77,965	23.2
West Easton	5.00	112,513	—	—	1,080	1.0	1.50	42.9	31,834	39.5
Wilson	9.00	1,337,284	1.35	17.6	319,986	31.5	1.35	17.6	299,218	28.8
Wind Gap	5.75	341,276	1.00	21.1	59,275	21.0	2.05	55.4	131,915	63.0
<b>TOWNSHIPS:</b>										
Allen	4.50	327,040	0.50	12.5	52,026	18.9	1.25	38.5	127,096	63.6
Bethlehem <sup>❖</sup>	4.74	3,039,332	—	—	128,917	4.4	—	—	596,046	24.4
Bushkill	3.26	635,918	1.00	44.2	214,372	50.9	1.00	44.2	257,773	68.2
East Allen	2.14	305,765	—	—	5,993	2.0	—	—	28,035	10.1
Forks	4.60	1,461,593	—	—	136,668	10.3	—	—	400,614	37.8
Hanover	4.25	1,663,532	—	—	10,193	0.6	—	—	251,271	17.8
Lehigh	2.21	516,020	0.40	22.1	102,907	24.9	0.40	22.1	130,318	33.8
Lower Mt. Bethel	3.10	255,527	—	—	5,141	2.1	0.20	6.9	44,414	21.0
Lower Nazareth	2.25	482,220	—	—	8,239	1.7	0.93	70.5	227,193	89.1
Lower Saucon <sup>OP/</sup>	3.14	1,129,869	—	—	50,462	4.7	—	—	216,233	23.7
Moore	1.00	207,948	0.23	29.9	52,437	33.7	0.23	29.9	61,344	41.8
Palmer	5.00	2,458,903	—	—	52,310	2.2	0.50	11.1	499,528	25.5
Plainfield	1.00	158,411	—	—	2,449	1.6	-0.27	-21.3	-25,883	-14.0
Upper Mt. Bethel	2.00	299,404	—	—	7,135	2.4	-1.50	-42.9	-178,602	-37.4
Upper Nazareth	2.00	187,743	—	—	5,681	3.1	—	—	24,911	15.3
Washington	1.76	182,146	—	—	6,395	3.6	—	—	13,593	8.1
Williams	1.25	170,167	—	—	5,272	3.2	—	—	21,339	14.3

❖ First Class Township.

HR/ Home Rule Charter municipality.

OP/ Optional Plan municipality.

1/ Tax rates and levies for 1997, 2001, and 2002 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 53.5 percent in 1997 and 47.4 percent in 2000 (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.

## EXHIBIT II

**Northampton County**  
Assessed Valuations<sup>1/</sup>  
 2002

	2002 Assessed Valuation	Change 2001 to 2002		Change 1997 to 2002	
		\$	%	\$	%
<b>COUNTY:</b>					
Northampton <sup>HR/</sup>	\$6,286,839,100	173,324,400	2.8	651,668,200	11.6
<b>CITIES:</b>					
Bethlehem <sup>2/</sup>	1,296,389,350	10,287,150	0.8	4,617,400	0.4
Bethlehem <sup>3/</sup>	859,130,300	7,666,000	0.9	3,304,000	0.4
Easton	343,535,300	3,464,400	1.0	1,244,200	0.4
<b>BOROUGHS:</b>					
Bangor	85,051,700	121,300	0.1	873,300	1.0
Bath	49,686,200	1,093,500	2.3	8,976,400	22.0
Chapman	3,663,000	—	—	87,400	2.4
East Bangor	14,465,000	63,300	0.4	86,200	0.6
Freemansburg	30,318,300	186,300	0.6	424,400	1.4
Glendon	10,539,500	1,225,800	13.2	341,300	3.3
Hellertown	120,301,000	1,662,200	1.4	3,770,700	3.2
Nazareth	115,191,700	332,100	0.3	2,492,300	2.2
Northampton	189,641,900	3,276,500	1.8	18,366,000	10.7
North Catasauqua	51,197,500	94,100	0.2	1,168,900	2.3
Pen Argyl	62,343,300	595,100	1.0	2,095,300	3.5
Portland	12,910,400	—	—	2,445,700	23.4
Roseto	29,689,900	401,200	1.4	1,582,100	5.6
Stockertown	27,052,000	1,642,000	6.5	4,221,100	18.5
Tatamy	19,902,100	947,700	5.0	1,413,200	7.6
Walnutport	39,378,000	375,400	1.0	2,099,800	5.6
West Easton	22,502,600	216,100	1.0	-548,500	-2.4
Wilson	148,587,100	15,607,000	11.7	12,892,200	9.5
Wind Gap	59,352,300	-16,400	<-0.1	2,768,300	4.9
<b>TOWNSHIPS:</b>					
Allen	72,675,500	3,922,000	5.7	11,154,200	18.1
Bethlehem <sup>❖</sup>	641,209,200	27,197,700	4.4	125,748,100	24.4
Bushkill	195,067,000	8,542,300	4.6	27,746,100	16.6
East Allen	142,880,700	2,800,400	2.0	13,100,200	10.1
Forks	317,737,700	29,710,600	10.3	87,090,200	37.8
Hanover	391,419,200	2,398,200	0.6	59,122,600	17.8
Lehigh	233,493,400	5,253,900	2.3	20,398,100	9.6
Lower Mt. Bethel	82,428,000	1,658,200	2.1	9,630,300	13.2
Lower Nazareth	214,320,100	3,661,800	1.7	21,117,600	10.9
Lower Saucon <sup>OP/</sup>	359,830,900	16,070,700	4.7	68,864,100	23.7
Moore	207,947,800	5,985,500	3.0	17,552,400	9.2
Palmer	491,780,500	10,462,000	2.2	56,363,900	12.9
Plainfield	158,410,900	2,448,600	1.6	13,297,200	9.2
Upper Mt. Bethel	149,701,900	3,567,500	2.4	13,128,700	9.6
Upper Nazareth	93,871,400	2,840,400	3.1	12,455,400	15.3
Washington	103,492,100	3,633,500	3.6	7,723,500	8.1
Williams	136,133,700	4,217,500	3.2	17,071,300	14.3

❖ First Class Township.

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

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

<sup>1/</sup> Assessed valuations for 1997, 2001, and 2002 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 53.5 percent in 1997 and 47.4 percent in 2000 (the most recent figure available).

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

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