

September 26, 2008

Honorable  
House of Representatives

Dear Representative:

I am writing on behalf of the Pennsylvania Chamber of Business and Industry (Chamber) to express our opposition to Senate Bill 1258 as amended and passed in the Senate on September 24, 2008. On that same day, the House Finance Committee did not garner enough votes to move SB 1258 to the full House. The Chamber is concerned that the legislation is punitive and discriminatory to businesses.

The Chamber would like to commend Senator Rhoades and Representative Seip on their respective efforts to eliminate the practice of capriciously choosing property owners for property tax assessment appeals, which often results in higher school, municipal and county property taxes for both homeowners and businesses. The Chamber believes that Representative Seip's and Senator Rhoades's bills as introduced and their previously vetoed proposals, were fair and uniform and addressed a practice that was hurting home and businesses owners. The current amended language of SB 1258 and HB 1439 falls short of their original purpose.

The amended legislation creates a division between large and small properties by placing an arbitrary \$200,000 appraisal threshold on appeals. This division will lead to county assessors discriminating between large and small businesses; commercial and residential properties; and properties with large improvements versus no improvements. Assessors who will no longer have access to small or medium size revenue-generating spot assessments will target the only properties that this legislation will allow – commercial and businesses properties. Pennsylvania businesses who invest in their local economy and create jobs will become the target of spot assessments under the amended legislation. The discrimination the bill will promote leads to questions involving constitutional uniformity and furthermore leads to an unpredictable punitive environment for businesses to promote commerce in.

The Pennsylvania Chamber of Business and Industry is the state's largest broad-based business advocacy association, serving more than 24,000 members and customers. PA Chamber membership comprises nearly 50 percent of the private workforce. PA Chamber membership ranges from Fortune 100 companies to sole proprietors, and crosses all industry sectors.

The Chamber respectfully requests that you not support SB 1258 in its amended form. This legislation will contribute to Pennsylvania's already anti-business and uncompetitive climate. I would be pleased to discuss this issue with you further and answer any questions you may have.

Thank you for considering the Chamber's views.

Sincerely,

A handwritten signature in black ink, appearing to read "Gene Barr". The signature is fluid and cursive, with the first name "Gene" and the last name "Barr" clearly distinguishable.

Gene Barr  
Vice President, Government Affairs

C.C. Representative Jerry Stern