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City of Philadelphia v. Cumberland County Bd. of Assessment Appeals

Supreme Court of Pennsylvania - October 30, 2013 - A.3d - 2013 WL 5827023

County board of assessment appeals sought review of order of the Court of Common Pleas granting summary judgment to city, as trustee under decedent's will, acting by board of directors of city trusts, finding that certain investment property owned by trust was immune and exempt from taxation by county and its subdivisions.

The Commonwealth Court reversed. Board of directors of city trusts petitioned for discretionary review, which was granted.

The Supreme Court of Pennsylvania held that property owned by city as trustee for city trust was immune from local real estate taxation.

Property owned by city as trustee of city trust, which had been established by private party, and leased by the board of directors of city trusts to Office of Attorney General was immune from local real estate taxation pursuant to sovereign immunity, where legislature created board in order to establish in instrumentality of the Commonwealth to oversee the charitable assets of the trust that were bequeathed to the city and Commonwealth, and property had long been controlled by the Commonwealth on behalf of the city.