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Circle of Seasons Charter School v. Northwestern Lehigh School District

Commonwealth Court of Pennsylvania - March 14, 2022 - A.3d - 2022 WL 760385

Charter school brought action against school district seeking refund of real estate taxes that school alleged were erroneously collected on charter school's tax-exempt property.

The Court of Common Pleas sustained school district's preliminary objections asserting a lack of subject matter jurisdiction and dismissed the complaint with prejudice. Charter school appealed.

The Commonwealth Court held that:

- County's property-tax assessment notices to charter school were facially defective, providing school with statutory remedy of hearing before county's board of assessment appeals;
- Charter school did not waive right to challenge county's defective tax assessment notice by paying real estate taxes owed under assessment; and
- Appropriate remedy was to transfer matter to county board of assessment appeals, rather than to dismiss complaint with prejudice.

County's property-tax assessment notices to charter school were facially defective, providing charter school with statutory remedy of a hearing before county's board of assessment appeals, and this remedy displaced trial court's exercise of equitable jurisdiction in charter school's action against school district to recover property taxes it erroneously collected on charter school's tax exempt property, where assessment notices did not include mailing date required by Consolidated County Assessment Law.

Charter school did not waive right to challenge county's defective tax assessment notice by paying real estate taxes owed under assessment to school district, in response to invoices sent by school district, where charter school paid taxes at direction of closing agent when it refinanced its properties, and, shortly thereafter, charter school appealed its properties' placement on the taxable rolls.

Appropriate remedy in charter school's action against school district to recover refund of real estate taxes that were erroneously collected was to transfer matter to county board of assessment appeals to consider charter school's challenge to county's assessment, rather than to dismiss charter school's complaint with prejudice, after trial court determined that county's assessment notices were facially defective; finding that county's assessment notices did not conform to statutory requirements established negligence that warranted nunc pro tunc appeal before the board of assessment appeals on whether county properly revised tax status of charter school's properties, and, to enable charter school to avail itself of hearing, trial court should have transferred charter school's complaint to the board for disposition.

