

City of Pittsburgh: Real Estate Tax Abatement Programs

Revised 12/5/12

Program	Type of Abatement	Participating Taxing Body and Annual Abatement Limit	Abatement Period	Increment Abated	Current Use of Property	Future Use of Property	Eligible Area	Application Review	
Act 42 Residential <i>Pittsburgh Code Chapter 265</i>	Assessment Reduction ¹	City	\$86,750 <i>for New Construction</i>	3 years	100% Increase in tax due to improvement	Residential or Vacant Land	City-wide	Allegheny County	
			\$36,009 <i>for Renovations</i>						
		School	\$86,750 <i>for New Construction</i>						
			\$36,009 <i>for Renovations</i>						
		County	\$36,009 <i>for New Construction & Renovations</i>						
Act 42 Enhanced Residential <i>Pittsburgh Code Chapter 265, Ordinance 9</i>	Assessment Reduction ¹	City	\$250,000	10 years	100% Increase in tax due to improvement	Residential or Vacant Land	Residential, For-sale or Rental	<u>28 Defined Areas</u>	City of Pittsburgh
Commercial LERTA <i>Pittsburgh Code Chapter 267</i>	Tax Credit ²	City	\$50,000	5 years	100% Increase in tax due to improvement	Commercial, Industrial or Vacant Land	Commercial or Industrial, For-sale or Rental	City-wide	Allegheny County
Residential LERTA <i>Pittsburgh Code Chapter 267, Ordinance 10³</i>	Tax Credit ²	City	\$150,000	10 years	100% Increase in tax due to improvement	Commercial or Industrial	Residential Rental or Hotels	<u>4 Defined Areas</u>	Urban Redevelopment Authority
		School	\$250,000	10 years	100% in Years 1 & 2; 90% in Years 3 & 4; 80% in Years 5 & 6; and so on				
		County	\$100,000						
Residential Enhanced LERTA <i>Pittsburgh Code Chapter 267, Ordinance 10</i>	Tax Credit ²	City	\$2,700	10 years	100% Increase in tax due to improvement	Commercial or Industrial	Residential, Separately assessed units	<u>4 Defined Areas</u>	Urban Redevelopment Authority
Local Economic Stimulus ⁴	Tax Credit ²	City	\$250,000	10 years	100% in Years 1 & 2; 90% in Years 3 & 4; 80% in Years 5 & 6; and so on	Commercial, Industrial or Vacant Land ⁵	Residential, Commercial or Industrial	City-wide	City of Pittsburgh
Visitability Residential ⁶	Tax Credit ²	City	\$2,500	5 years	100% Increase in tax due to improvement	Residential, Vacant Land, Commercial or Industrial	Residential, Single family, Duplex, Triplex, Adaptive reuse	City-wide	Allegheny County
		County	\$2,500						

¹As assessment reductions, the total tax benefits of the Act 42 programs can change depending on the millage rate.

²As tax credits, the maximum benefits of the LERTA programs and the Local Economic Stimulus program cannot exceed the amounts listed above.

³Applications filed on or after July 1, 2012 through June 30, 2017 receive an abatement for the 100% increase in tax due to improvements for City taxes only.

⁴The Local Economic Stimulus applies to the incremental increase in taxes as a result of construction or improvements costs in excess of one million dollars (\$1,000,000).

⁵Under the Local Economic Stimulus, residential development can only occur as the conversion of existing commercial or industrial buildings and not as new construction on vacant land.

⁶The Visitability tax credit can be used concurrently with other residential tax abatement programs.