

City of Corry LERTA Program Information



Notice to Taxpayers

Under the provisions of the City of Corry Ordinance No. 1621, you may be eligible for a property tax exemption on your contemplated or planned improvement or new construction. A LERTA application may be obtained from the City of Corry and must be filed with the City at the same time as zoning and/or building permit application.

What is LERTA?

Pennsylvania Act 76 of 1977 (P.L. 237; 72 P.S. § 4722) enacted the Local Economic Revitalization Tax Assistance program (“LERTA”), which enables municipal authorities to create ordinances temporarily exempting the payment of certain real estate taxes. The purpose of this tax exemption structure is to encourage economic development in the City of Corry by allowing property owners to continue paying the property’s current taxes for a set amount of time, rather than the increased tax that would result from new construction and improvements. Properties that qualify for LERTA but do not see an immediate increase in local real estate taxes based upon the value of improvements made to the property. By not immediately taxing the property owner on these new improvements, the City affords property owners the ability to reclaim the money used for redevelopment and to encourage investment into further renovations and improvements.

Please note: “Improvement”, insofar as this program, is defined as repair, construction, or reconstruction, including alterations and additions, having the effect of rehabilitating an Eligible Property owned by a Person located within the City of Corry so that it becomes habitable or attains higher standards of safety, health, economic use or amenity, or is brought into compliance with laws, ordinances or regulations governing such standards; “Improvement” does not include any ordinary upkeep or maintenance.

How does LERTA work?

The LERTA program creates an abatement schedule with zero increase in tax payments for any LERTA qualifying property located in the City of Corry that experiences an increase in the assessed value of the property as a result of an improvement or new construction. **The LERTA abatement does NOT make a property tax-free.** Approved LERTA property owners continue to pay their real estate taxes, but any tax assessment increase to the property will be eligible for the tax abatement program over the next ten (10) years. Real estate taxes on the new improvements/construction will not be taxed for the first ten years. Property owners will pay 100% of the tax increase for all subsequent years after the tenth and final year of the abatement. Year 1 of tax exemption for a particular approved LERTA property shall commence following completion of construction.

Applying for LERTA

Any Person who is an owner of eligible property and who desires tax exemption **shall apply in writing** for such exemption on a City of Corry LERTA Application Form and must be **received by the City at the same time of issuance of a zoning and/or building permit for any new Improvements**. A copy of the LERTA exemption request will then be distributed to all three of the involved taxing agencies (City of Corry, Corry Area School District, and Erie County). After completion of the new construction or improvement, approved properties shall be reassessed and the amounts of the assessment eligible for tax exemption shall be calculated, in accordance with the limits established by the local taxing authorities. The taxpayer and the local taxing authorities will then be notified of the reassessment and amounts of the assessment eligible for exemption under LERTA.

***Improvements that do not result in an increased assessed value on the subject property will not qualify for LERTA.**

*** LERTA will only be granted when a LERTA application accompanies a zoning/building permit; benefits WILL NOT be applied retroactively to projects started without the proper permits.**

