

LERTA Commercial Tax Exemption Example

City of Pittsburgh Commercial use Building Tax Abatement Program (LERTA) Example:

If a commercial use property (i.e., office, retail, manufacturing, industrial, etc.) with a tax assessed value of \$100,000 is improved and the new tax assessment is:

- \$500,000, the building would be able to save \$21,600 over 5 years in City of Pittsburgh real estate taxes if it utilized the City's Commercial LERTA program
- \$1,000,000, the building would be able to save \$48,600 over 5 years in City of Pittsburgh real estate taxes if it utilized the City's Commercial LERTA program
- \$2,000,000, the building would be able to save \$102,600 over 5 years in City of Pittsburgh real estate taxes if it utilized the City's Commercial LERTA program

	Base year	New Assessment	New Assessment	New Assessment
Value	\$ 100,000	\$ 500,000	\$1,000,000	\$ 2,000,000
County:	\$469	\$2,345	\$4,690	\$9,380
City:	\$1,080	\$5,400	\$10,800	\$21,600
School District:	\$1,392	\$6,960	\$13,920	\$27,840
TOTAL	\$2,941.00	\$14,705.00	\$29,410.00	\$58,820.00
ABATEMENT		\$4,320.00	\$9,720.00	\$20,520.00
Taxes owed w/ LERTA		\$10,385.00	\$19,690.00	\$38,300.00
Total Savings (5 years)		\$21,600.00	\$48,600.00	\$102,600.00

The Commercial LERTA program only applies to commercial use buildings in the City of Pittsburgh and only applies to City of Pittsburgh real estate taxes. The maximum tax savings per year is \$50,000.