Tax base reality

The Pottstown School District and Pottstown Borough received a revenue bonanza in 2004 when the previously non-profit Pottstown Memorial Medical Center was sold to Community Health Systems in 2003 and subsequently went on the tax rolls.

The Medical Center immediately became, by far, the town’s No. 1 taxpayer.

With an assessment of $22.6 million, the hospital generates more than $1 million in real estate taxes annually for the Pottstown School District.

But the school district budget has risen about $1 million annually for the last five years. It would require adding the equivalent of a new hospital every year just to keep tax revenues even with expenses.

But total assessments are going down, not up, in Pottstown, even with the substantial assessment boost the hospital brought in 2004.

It’s wonderful to talk about increasing the tax base, but it would take an enormous increase in assessments to cover spending that jumps more than $1 million annually.

The “inconvenient truth” is we must cut costs and become more efficient, just as private corporations do. There is no other way.

**Commentary by Tom Hylton**

**BIGGEST TAXPAYER**— Pottstown Borough and School District received a revenue bonanza in 2004 when the previously non-profit Pottstown Memorial Medical Center was sold to a for-profit corporation and went on the tax rolls.

**BUT AS THE CHART (ABOVE RIGHT) SHOWS,** the total assessed value of Pottstown real estate has now fallen below what it was in 2003 when the hospital was tax-exempt.