

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2323 Session of
2005

INTRODUCED BY PETRARCA, THOMAS, BEBKO-JONES, BENNINGHOFF,
CALTAGIRONE, CAWLEY, DeLUCA, DIVEN, GABIG, GEIST, GEORGE,
GERGELY, GRUCELA, HUTCHINSON, JAMES, LEDERER, MACKERETH,
MARKOSEK, MARSICO, PISTELLA, REED, ROBERTS, SCAVELLO, SHANER,
SOLOBAY, SURRA, TANGRETTI, TRUE AND YOUNGBLOOD,
DECEMBER 12, 2005

REFERRED TO COMMITTEE ON FINANCE, DECEMBER 12, 2005

AN ACT

1 Providing a school district property tax exemption for senior
2 citizens; and providing for State reimbursement.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Senior
7 Citizen School Real Property Tax Exemption Act.

8 Section 2. Declaration of policy.

9 In recognition of the severe economic plight of senior
10 citizens who are real property owners with fixed and limited
11 incomes and who are faced with rising living costs and
12 constantly increasing taxes which threaten their homesteads and
13 self-sufficiency, the General Assembly, pursuant to section
14 2(b)(iii) of Article VIII of the Constitution of Pennsylvania,
15 considers it to be a matter of sound public policy to exempt
16 such property owners from certain school district taxes to

1 enable them to remain in peaceable possession of their homes and
2 relieve their economic burdens.

3 Section 3. Definitions.

4 The following words and phrases when used in this act shall
5 have the meanings given to them in this section unless the
6 context clearly indicates otherwise:

7 "Claimant." A person who files a claim for real property tax
8 exemption and was 65 years of age or older, or whose spouse, if
9 a member of the household, was 65 years of age or older, during
10 a calendar year in which real property taxes were due and
11 payable.

12 "Homestead." An owned dwelling and as much of the land
13 surrounding it as is reasonably necessary for use of the
14 dwelling as a home occupied by a claimant. The term includes all
15 of the following:

16 (1) Premises occupied by reason of ownership in a
17 cooperative housing corporation, mobile homes which are
18 assessed as realty for local real property tax purposes and
19 the land, if owned by the claimant, upon which the mobile
20 home is situated and other similar living accommodations, as
21 well as a part of a multidwelling or multipurpose building
22 and a part of the land upon which it is built.

23 (2) Premises occupied by reason of the claimant's
24 ownership of a dwelling located on land owned by a nonprofit
25 incorporated association, of which the claimant is a member,
26 if the claimant is required to pay a pro rata share of the
27 real property taxes levied against the association's land.

28 (3) Premises occupied by a claimant if the claimant is
29 required by law to pay a real property tax by reason of his
30 ownership, including a possessory interest, in the dwelling,

1 the land or both.

2 An owner includes a person in possession under a contract of
3 sale, deed of trust, life, estate, joint tenancy or tenancy in
4 common or by reason of statutes of descent and distribution.

5 "Real property taxes." All school district taxes on a
6 homestead, exclusive of municipal assessments, delinquent
7 charges and interest, due and payable during a calendar year.

8 Section 4. Property tax exemption.

9 (a) Amount of exemption.--The amount of any claim for real
10 property tax exemption shall be 100%.

11 (b) Time period for filing.--The claimant must file claim
12 for exemption with the taxing school district within two months
13 of receipt of a real property tax bill.

14 Section 5. Proof of claim.

15 School districts may require proof of claim as required in
16 the act of March 11, 1971 (P.L.104, No.3), known as the Senior
17 Citizens Rebate and Assistance Act.

18 Section 6. Fraudulent claim.

19 (a) Claim rejection.--In any case in which a claim is filed
20 with fraudulent intent, the claim shall be disallowed in full
21 and a penalty of 25% of the amount claimed shall be imposed. The
22 penalty and the amount of the disallowed claim, if the claim has
23 been paid, shall bear interest at the rate of 1/2 of 1% per
24 month from the date of the claim until repaid.

25 (b) Penalty.--The preparation of or filing of a fraudulent
26 claim shall be a misdemeanor, punishable by a fine of not more
27 than \$1,000 or a term of imprisonment of not more than one year,
28 or both.

29 (c) Disallowance of claim.--A claim shall be disallowed if
30 the claimant received title to the homestead primarily for the

1 purpose of receiving a real property tax exemption.

2 Section 7. State reimbursement.

3 All school districts shall report to the Department of
4 Revenue the amount of exemptions granted under this act, within
5 three months of granting such exemptions. The Commonwealth shall
6 pay the full amount of such exemptions to the school district
7 within 60 days of the report. The Commonwealth payment shall be
8 for real property tax exemption only. No administrative costs
9 shall be reimbursed.

10 Section 8. Regulations.

11 The Secretary of Revenue may promulgate such rules and
12 regulations as necessary to administer this act.

13 Section 9. Applicability.

14 This act shall apply to school district real estate taxes due
15 on and after July 1 next succeeding the effective date of this
16 act.

17 Section 10. Effective date.

18 This act shall take effect in 60 days.