
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1951 Session of
2007

INTRODUCED BY PERZEL, SCAVELLO, ADOLPH, BAKER, BENNINGHOFF,
BEYER, CAPPELLI, CIVERA, DALEY, DeLUCA, J. EVANS, EVERETT,
FAIRCHILD, GEORGE, GILLESPIE, GINGRICH, GODSHALL, HERSHEY,
HESS, HORNAMAN, W. KELLER, KENNEY, KILLION, KOTIK, MACKERETH,
MARSHALL, MENSCH, MICOZZIE, MOYER, MUSTIO, MYERS, PEIFER,
PETRARCA, PETRONE, PHILLIPS, PICKETT, PYLE, RAPP, RAYMOND,
ROSS, RUBLEY, SIPTROTH, SOLOBAY, STAIRS, STERN, J. TAYLOR,
VEREB, WANSACZ, WATERS, YOUNGBLOOD, YUDICHAK, BASTIAN,
SWANGER, HENNESSEY, R. TAYLOR, HARPER AND CAUSER,
NOVEMBER 7, 2007

REFERRED TO COMMITTEE ON FINANCE, NOVEMBER 7, 2007

AN ACT

1 Providing for the elimination of property tax for older
2 Pennsylvanians and for the transfer of certain funds; and
3 making related repeals.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Older
8 Pennsylvanian Property Tax Elimination Act.

9 Section 2. Legislative intent and purpose.

10 (1) The General Assembly, in recognition of the powers
11 contained in section 2(b)(ii) of Article VIII of the
12 Constitution of Pennsylvania, which provides for the
13 establishment as a class or classes of subjects of taxation
14 on the property or privileges of persons who, because of

1 poverty, are determined to be in need of special tax
2 provisions, declares as its legislative intent and purpose to
3 implement that power under that constitutional provision by
4 establishing special tax provisions as provided under this
5 act.

6 (2) The General Assembly, having determined that there
7 are persons within this Commonwealth whose ages and incomes
8 are such that imposition of a property tax on them would
9 deprive them of the bare necessities of life, deems it to be
10 a matter of public policy to provide special tax provisions
11 for that class of persons to relieve their economic burden.

12 Section 3. Definitions.

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

16 "Claimant." An individual who seeks assistance under section
17 5.

18 "Department." The Department of Revenue of the Commonwealth.

19 "Household income." All income received by a claimant and
20 the claimant's spouse while residing in the homestead during the
21 calendar year for which a rebate is claimed.

22 "Program." The Property Tax Assistance Program.

23 "Property tax." A tax levied by a school district on real
24 property.

25 Section 4. Administration.

26 The department shall have the following powers and duties in
27 the administration of this act:

28 (1) Implementing the program.

29 (2) Prescribing an application form under section

30 5(c)(1)(i).

(3) Promulgating regulations to implement section 5(c) and (d).

Section 5. Program.

(a) Establishment.--The department shall establish the Property Tax Assistance Program to assist eligible claimants in the payment of school property taxes.

(b) Eligibility.--To be eligible to participate in the program, a claimant must comply with all of the following:

(1) Be over 65 years of age.

(2) Have an annual household income of not more than \$40,000.

(c) Application.--The following shall apply:

(1) To participate in the program, a claimant must submit to the department all of the following:

(i) An application on a form prescribed by the department establishing eligibility under subsection (b).

(ii) The school property tax bill for which assistance is sought.

(2) The material under paragraph (1) must be submitted within 45 days of the date the property tax relating to the school property tax bill under paragraph (1)(ii) is due.

(d) Determination.--The following shall apply:

(1) Within 15 days of receipt of an application under subsection (c), the department shall determine if the claimant is eligible or ineligible and shall notify the claimant of its determination.

(2) Failure to comply with the time requirement under paragraph (1) shall be deemed a determination of ineligibility.

(3) A determination of ineligibility under paragraph (1)

or (2) shall be subject to 2 Pa.C.S. Ch. 7 Subch. A (relating to judicial review of Commonwealth agency action).

(e) Payment.--For each eligible claimant, the department shall pay the tax bill under subsection (c)(1)(ii) in whole from the Property Tax Relief Fund. Payment shall be mailed to the claimant and shall be made out to the school district to which the claimant is liable for property taxes.

Section 6. Transfers.

(a) Annual transfer.--The State Treasurer shall transfer \$150,000,000 annually from the State Lottery Fund established by the act of August 26, 1971 (P.L.351, No.91), known as the State Lottery Law, to the Property Tax Relief Fund for payment of claims under this act.

(b) Single transfer.--On the effective date of this section, the State Treasurer shall transfer any money in the Property Tax Relief Reserve Fund to the Property Tax Relief Fund.

Section 7. Repeals.

(1) The General Assembly declares that the repeal under paragraph (2) is necessary to effectuate this act.

(2) Sections 501, 502, 503(c), (d) and (e), 505, 704 and Chapter 13 of the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, are repealed.

Section 20. Effective date.

This act shall take effect immediately.