

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1184 Session of
2007

INTRODUCED BY ARGALL, BOBACK, BAKER, BELFANTI, EVERETT,
FAIRCHILD, GEIST, GINGRICH, GOODMAN, HANNA, HARHAI, HARHART,
HARRIS, HERSHEY, HORNAMAN, KILLION, KORTZ, MENSCH, MUSTIO,
O'NEILL, PHILLIPS, REICHLEY, SURRA AND WANSACZ, MAY 4, 2007

REFERRED TO COMMITTEE ON FINANCE, MAY 4, 2007

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," further providing for limitation on
6 total tax revenues of school districts lying in more than one
7 county or in more than one municipality; and providing for
8 credit in lieu of taxes in school districts lying in more
9 than one county or in more than one municipality.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 672.1 of the act of March 10, 1949
13 (P.L.30, No.14), known as the Public School Code of 1949, is
14 amended by adding subsections to read:

15 Section 672.1. School Districts Lying in More Than One
16 County or in More Than One Municipality; Limitation on Total Tax
17 Revenues.--* * *

18 (d) Whenever a school district shall lie in more than one
19 county and the school directors of the school district did not
20 elect to participate in the former act of act of July 5, 2004

1 (P.L.654, No.72), known as the "Homeowner Tax Relief Act," the
2 school district shall comply with this section prior to
3 preparing a preliminary budget under section 311 of the act of
4 June 27, 2006 (1st Sp.Sess., P.L. , No.1), known as the
5 "Taxpayer Relief Act," and prior to making any tax rate
6 submissions as provided under section 333(e) of the "Taxpayer
7 Relief Act." The Department of Education or a court of common
8 pleas may not approve an increase in the rate of tax due to an
9 expenditure under section 333(f)(2)(i), (ii), (iii), (iv), (v),
10 (vi), (vii), (viii), (ix) or (n) of the "Taxpayer Relief Act"
11 until the school district seeking approval is in compliance with
12 this section.

13 (e) Whenever a school district shall lie in more than one
14 county, the school district shall comply with section 672.3.

15 Section 2. The act is amended by adding a section to read:

16 Section 672.3. School Districts Lying in More Than One
17 County or in More Than One Municipality; Credit in Lieu of
18 Taxes.--(a) Whenever a school district shall lie in more than
19 one county and the school directors of the school district
20 elected to participate in the former act of act of July 5, 2004
21 (P.L.654, No.72), known as the "Homeowner Tax Relief Act," the
22 school directors shall provide a credit in lieu of taxes to each
23 taxpayer of the school district beginning with the first fiscal
24 year following the effective date of this subsection.

25 (b) Whenever a school district shall lie in more than one
26 county and the school directors of the school district did not
27 elect to participate in the former "Homeowner Tax Relief Act,"
28 the school directors shall provide a credit in lieu of taxes to
29 each taxpayer of the school district beginning with the first
30 fiscal year following the effective date of this subsection.

1 (c) A credit granted under this section shall be equal to
2 the real estate tax increase for a taxpayer as a result of
3 compliance with section 672.1. The credit shall be granted to a
4 taxpayer on a pro rata basis over five (5) years. The pro rata
5 credit shall be calculated by dividing a numerator, which shall
6 equal the real estate tax increase for a taxpayer as a result of
7 compliance with section 672.1, by a denominator, which shall
8 equal five (5).

9 Section 3. This act shall take effect in 60 days.