
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2502 Session of
2008

INTRODUCED BY KING, CONKLIN, CRUZ, DeLUCA, GEORGE, GERGELY,
GRUCELA, HARHAI, HERSHEY, HORNAMAN, LONGIETTI, MAHONEY,
MARSHALL, M. O'BRIEN, PETRARCA, READSHAW, SCAVELLO, K. SMITH,
R. TAYLOR, WAGNER, YUDICHAK, GEIST, PETRONE, ADOLPH AND
GIBBONS, MAY 7, 2008

REFERRED TO COMMITTEE ON FINANCE, MAY 7, 2008

AN ACT

1 Providing for a freeze on real estate taxes for senior citizens.

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

4 Section 1. Short title.

5 This act shall be known and may be cited as the Senior
6 Citizens Property Tax Freeze Act.

7 Section 2. Definitions.

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

11 "Base payment." The amount of property tax paid by the
12 claimant either in the tax year beginning January 1, 2006, or in
13 the first tax year during which the claimant first becomes
14 eligible, whichever occurs later, on the principal residence in
15 which the claimant has maintained continuous occupancy and
16 ownership since either January 1, 2006, or the date upon which

1 the claimant first became eligible. In the event the claimant
2 purchases a residence after January 1, 2006, or after the date
3 upon which the claimant first becomes eligible, the base payment
4 means property taxes paid during the tax year in which the
5 purchase was made.

6 "Income." Income for a resident individual, estate or trust
7 means the same as compensation, net profits, gains, dividends,
8 interest or income enumerated and classified under section 303
9 of the act of March 4, 1971 (P.L.6, No.2), known as the Tax
10 Reform Code of 1971.

11 "Increases in property taxes." The additional payments due
12 above the base amount, resulting from millage increases,
13 modifications in the assessment ratio or assessment increase.

14 Section 3. Eligibility.

15 To be eligible for a tax freeze under this act, a claimant
16 shall:

- 17 (1) Be 65 years of age or older.
- 18 (2) Have a household income of \$55,000 or less.

19 Section 4. Tax freeze.

20 Notwithstanding the provisions of any other law, any person
21 who meets the eligibility requirements contained in this act
22 shall be entitled to a real estate tax freeze and shall not be
23 required to pay any increases in property taxes in excess of the
24 claimant's base payment.

25 Section 5. Application procedure.

26 Any person eligible for a tax freeze under section 3 may
27 apply for the freeze by filing with the taxing authorities the
28 following documents:

- 29 (1) A statement of request for a tax freeze.
- 30 (2) A certification that the claimant or the claimant

1 and the claimant's spouse jointly are the owners in fee
2 simple of the residence upon which the property taxes are
3 imposed.

4 (3) Evidence that the claimant is 65 years of age or
5 older.

6 (4) Evidence that the claimant's income is less than
7 \$55,000 per year.

8 (5) Receipts showing prompt payment of the current
9 year's property tax liability.

10 Section 6. Termination of tax freeze.

11 (a) General rule.--Subject to the limitation under
12 subsection (b), the tax rate on and the assessment of any real
13 estate taxes shall become current on the sale or transfer of
14 that real property, including any transfer under a recorded real
15 property sales contract.

16 (b) Limitation.--A tax freeze under this act shall remain in
17 effect upon the transfer of the affected real property to a
18 surviving spouse if at the time of the death of the claimant,
19 the surviving spouse is at least 62 years of age or will be 62
20 years of age within six months of the date of death of the
21 claimant.

22 Section 7. Commonwealth reimbursement.

23 The Department of Revenue shall, upon submission by local
24 taxing authorities of documentation as the department may
25 require, annually pay to local taxing authorities the amount of
26 each claimant's increase in property taxes in excess of the
27 claimant's base payment.

28 Section 8. Applicability.

29 This act shall apply retroactively to tax years beginning
30 January 1, 2007, and thereafter.

1 Section 9. Effective date.

2 This act shall take effect immediately.