

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 804 Session of 2009

INTRODUCED BY QUINN, BOBACK, BOYD, CREIGHTON, DALLY, DENLINGER, FAIRCHILD, FLECK, GIBBONS, GINGRICH, HENNESSEY, HESS, KAUFFMAN, MAJOR, MICOZZIE, MOUL, MURT, PICKETT, REICHLEY, SCAVELLO, SIPTROTH, S. H. SMITH, STERN, SWANGER, WATSON AND YOUNGBLOOD, MARCH 9, 2009

REFERRED TO COMMITTEE ON FINANCE, MARCH 9, 2009

AN ACT

1 Amending the act of June 27, 2006 (1st Sp.Sess., P.L.1873,
2 No.1), entitled "An act providing for taxation by school
3 districts, for the State funds formula, for tax relief in
4 first class cities, for school district choice and voter
5 participation, for other school district options and for a
6 task force on school cost reduction; making an appropriation;
7 prohibiting prior authorized taxation; providing for
8 installment payment of taxes; restricting the power of
9 certain school districts to levy, assess and collect taxes;
10 and making related repeals," further providing for public
11 referendum requirements for increasing certain taxes.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Section 333(b) of the act of June 27, 2006 (1st
15 Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, is
16 amended to read:

17 Section 333. Public referendum requirements for increasing
18 certain taxes.

19 * * *

20 (b) Prohibitions.--Except as set forth in subsection (i) and
21 (j), unless there is compliance with subsection (c), a board of

1 school directors may not do any of the following:

2 (1) Increase the rate of a tax levied for the support of
3 the public schools by more than the index. For purposes of
4 compliance with this paragraph, a school district which is
5 situated in more than one county and which levies real estate
6 taxes under section 672.1 of the act of March 10, 1949
7 (P.L.30, No.14), known as the Public School Code of 1949,
8 shall apply the index to each separate rate of real estate
9 taxes levied. The index shall be applied and remain in force
10 pursuant to any other provision of this act prior to a school
11 district which is situated in more than one county
12 rebalancing the real estate taxes in each county in which the
13 school district is situated. An increase of the rate of a tax
14 levied for the support of the public schools shall not exceed
15 the index solely because a school district levies real estate
16 taxes under section 672.1 of the act of March 10, 1949
17 (P.L.30, No.14), known as the Public School Code of 1949.

18 (2) Levy a tax for the support of the public schools
19 which was not levied in the 2005-2006 fiscal year.

20 (3) Raise the rate of the earned income and net profits
21 tax if already imposed under the authority of the Local Tax
22 Enabling Act except as otherwise provided for under section
23 331.2 or 332.

24 (4) Notwithstanding any other provision of this chapter
25 to the contrary, the adoption of a referendum under section
26 331.2 or 332 confers on the board of school directors the
27 authority to raise income taxes only to the extent contained
28 in the language of the referendum, and any future increase of
29 an income tax to be used for the purpose of property tax
30 reduction shall be submitted to the electors of the school

1 district at a subsequent municipal election pursuant to the
2 provisions of section 332.

3 * * *

4 Section 2. This act shall take effect immediately.