

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1289 Session of 2011

INTRODUCED BY KASUNIC, DINNIMAN AND YUDICHAK, OCTOBER 18, 2011

REFERRED TO FINANCE, OCTOBER 18, 2011

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," in State System of Higher Education,  
6 providing for exemption from taxation.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. The act of March 10, 1949 (P.L.30, No.14), known  
10 as the Public School Code of 1949, is amended by adding a  
11 section to read:

12 Section 2003-A.2. Exemption from Taxation.--The effectuation  
13 of the authorized purpose of the system shall and will be in all  
14 respects for the benefit of the people of this Commonwealth, for  
15 the increase of their commerce and prosperity and for the  
16 improvement of their health and living conditions; and, since as  
17 a public instrumentality it will be performing essential  
18 governmental functions in effectuating such purposes, the system  
19 shall not be required to pay any taxes or assessments upon any  
20 property acquired or used by it for such purposes, and the bonds

1 issued by the system and the interest and income therefrom shall  
2 at all times be free from State and local taxation. This  
3 exemption shall not extend to gift, estate, succession or  
4 inheritance taxes or any other taxes not levied directly on the  
5 bonds, their transfer or the income from or the realization of  
6 profits on the sale of the bonds.

7       Section 2.   This act shall take effect in 60 days.