

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 406 Session of 2017

INTRODUCED BY COX, BARRAR, D. COSTA, DAVIS, FITZGERALD, FREEMAN, GABLER, GILLEN, GOODMAN, HAGGERTY, MATZIE, McNEILL, MILLARD, PASHINSKI, RAPP, RYAN, SAMUELSON, SCHWEYER, SOLOMON, WARD, WARREN AND WHEELAND, MARCH 20, 2017

REFERRED TO COMMITTEE ON FINANCE, MARCH 20, 2017

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," in senior citizens property tax
 11 and rent rebate assistance, further providing for definitions
 12 and for filing of claim.

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

15 Section 1. The definition of "income" in section 1303 of the
 16 act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as
 17 the Taxpayer Relief Act, amended November 2, 2016 (P.L.969,
 18 No.117), is amended to read:

19 Section 1303. Definitions.

20 The following words and phrases when used in this chapter
 21 shall have the meanings given to them in this section unless the
 22 context clearly indicates otherwise:

1 * * *

2 "Income." All income from whatever source derived,
3 including, but not limited to:

4 (1) Salaries, wages, bonuses, commissions, income from
5 self-employment, alimony, support money, cash public
6 assistance and relief.

7 (2) The gross amount of any pensions or annuities,
8 including railroad retirement benefits for calendar years
9 prior to 1999 and 50% of railroad retirement benefits for
10 calendar years 1999 and thereafter.

11 (3) (i) All benefits received under the Social Security
12 Act (49 Stat. 620, 42 U.S.C. § 301 et seq.), except
13 Medicare benefits, for calendar years prior to 1999, and
14 50% of all benefits received under the Social Security
15 Act, except Medicare benefits, for calendar years 1999
16 and thereafter.

17 (ii) Notwithstanding any other provision of this act
18 to the contrary, persons who, as of December 31, 2012,
19 are eligible for the property tax or rent rebate shall
20 remain eligible if the household income limit is exceeded
21 due solely to a Social Security cost-of-living
22 adjustment.

23 (iii) Eligibility in the property tax and rent
24 rebate program pursuant to subparagraph (ii) shall expire
25 on December 31, 2016.

26 (4) All benefits received under State unemployment
27 insurance laws.

28 (5) All interest received from the Federal or any state
29 government or any instrumentality or political subdivision
30 thereof.

- 1 (6) Realized capital gains and rentals.
- 2 (7) Workers' compensation.
- 3 (8) The gross amount of loss of time insurance benefits,
4 life insurance benefits and proceeds, except the first
5 [\$5,000] \$10,000 of the total of death benefit payments.
- 6 (9) Gifts of cash or property, other than transfers by
7 gift between members of a household, in excess of a total
8 value of \$300.

9 The term does not include surplus food or other relief in kind
10 supplied by a governmental agency, property tax or rent rebate,
11 inflation dividend, Federal veterans' disability payments or
12 State veterans' benefits.

13 * * *

14 Section 2. Section 1305(a) and (b) of the act are amended
15 and the section is amended by adding a subsection to read:
16 Section 1305. Filing of claim.

17 (a) General rule.--[Except as otherwise provided in
18 subsection (b), a] A claim for property tax or rent rebate shall
19 be filed with the department on or before the [30th day of June]
20 31st day of December of the year next succeeding the end of the
21 calendar year in which real property taxes or rent was due and
22 payable.

23 (b) Exception.--[A claim filed after the June 30 deadline
24 until December 31 of such calendar year shall be accepted by the
25 secretary as long as funds are available to pay the benefits to
26 the late filing claimant.] A claim shall be accepted by the
27 secretary as long as funds are available to pay the benefits to
28 the claimant.

29 * * *

30 (e) Eligibility of estate.--

1 (1) In the case where an individual has died prior to
2 the expiration of the claim year for the property tax or rent
3 rebate, a rebate shall be paid to a proxy for or surviving
4 spouse or estate of an otherwise qualified claimant if
5 property tax or rent was paid by the decedent prior to death.
6 The amount of property tax or rent paid shall be prorated
7 based upon the number of days that the decedent occupied the
8 homestead during the claim year. The income attributed to the
9 decedent shall be annualized as if the decedent lived for the
10 full claim year. In no case shall a rebate be paid to a proxy
11 for or surviving spouse or estate of a decedent who has not
12 lived during any day of the claim year.

13 (2) An executor or administrator of the decedent's
14 estate or a proxy for or surviving spouse of the decedent may
15 submit the claim for property tax or rent rebate. In order
16 for a proxy to receive a property tax or rent rebate a proxy
17 of the decedent must submit the death certificate of the
18 decedent and an affidavit averring that the affiant is the
19 proxy of the decedent, that no estate was opened for the
20 decedent and that the proxy paid the decedent's funeral
21 expenses.

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