

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 826 Session of 2019

INTRODUCED BY TOMLINSON, KILLION, BOSCOLA, YUDICHAK, BAKER,  
COSTA AND K. WARD, SEPTEMBER 10, 2019

REFERRED TO FINANCE, SEPTEMBER 10, 2019

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 tax relief in cities of the  
11 first class, further providing for supplemental senior  
12 citizen tax reduction; and, in senior citizens property tax  
13 and rent rebate assistance, further providing for property  
14 tax and rent rebate.

15 The General Assembly of the Commonwealth of Pennsylvania  
16 hereby enacts as follows:

17 Section 1. Sections 704 and 1304 of the act of June 27, 2006  
18 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief  
19 Act, are amended to read:

20 Section 704. Supplemental senior citizen tax reduction.

21 (a) Eligibility.--Beginning in the first year in which a  
22 payment under section 505(b) is made and each year thereafter,  
23 the following apply:

24 (1) Except as provided in paragraph (2), any resident of

1 a city of the first class, a city of the second class A or a  
 2 resident of a school district of the first class A who is  
 3 eligible to receive a property tax rebate under Chapter 13  
 4 and has a household income, as defined under section 1303,  
 5 equal to or less than [~~\$30,000~~] \$50,000 shall be eligible to  
 6 receive an additional property tax rebate equal to [~~50% of~~  
 7 ~~the amount the individual is eligible to receive under~~  
 8 ~~Chapter 13.~~] the following:

<u>Amount of Real Property Taxes</u>	
<u>Household Income</u>	<u>Allowed as Rebate</u>
<u>\$ 0 - \$ 8,000</u>	<u>\$675</u>
<u>8,001 - 15,000</u>	<u>750</u>
<u>15,001 - 18,000</u>	<u>850</u>
<u>18,001 - 30,000</u>	<u>875</u>
<u>30,001 - 35,000</u>	<u>1,000</u>
<u>35,001 - 50,000</u>	<u>1,000</u>

17 (2) An additional rebate under paragraph (1) may not  
 18 exceed the difference between the property tax paid by the  
 19 eligible resident and the rebate received by the eligible  
 20 resident under Chapter 13 for the same tax year.

21 (b) Payment.--The property tax rebates authorized under  
 22 subsection (a) shall be paid from the State Lottery Fund.

23 (c) Applicability.--This section shall not apply to a  
 24 resident of a city of the first class, a city of the second  
 25 class A or a resident of a school district of the first class A,  
 26 who is entitled to receive a rent rebate in lieu of property  
 27 taxes under Chapter 13.

28 Section 1304. Property tax; and rent rebate.

29 (a) Schedule of rebates.--

30 (1) The amount of any claim for property tax rebate or

1 rent rebate in lieu of property taxes for real property taxes  
 2 or rent due and payable during calendar years 1985 through  
 3 2005 shall be determined in accordance with the following  
 4 schedule:

		Percentage of Real Property Taxes or
		Rent Rebate in Lieu of
Household Income		Property Taxes Allowed as Rebate
8	\$ 0 - \$ 4,999	100%
9	5,000 - 5,499	100
10	5,500 - 5,999	90
11	6,000 - 6,499	80
12	6,500 - 6,999	70
13	7,000 - 7,499	60
14	7,500 - 7,999	50
15	8,000 - 8,499	40
16	8,500 - 8,999	35
17	9,000 - 9,999	25
18	10,000 - 11,999	20
19	12,000 - 12,999	15
20	13,000 - 15,000	10

21 (2) The following apply:

22 (i) The base amount of any claim for property tax  
 23 rebate for real property taxes due and payable during  
 24 calendar year 2006 and thereafter shall be determined in  
 25 accordance with the following schedule:

		Amount of Real Property Taxes
Household Income		Allowed as Rebate
28	\$ 0 - \$ 8,000	\$650
29	8,001 - 15,000	500
30	15,001 - 18,000	300

1 18,001 - 35,000 250

2 35,001 - 50,000 175

3 (ii) The supplemental amount for a claimant with a  
4 household income equal to or less than [~~\$30,000~~] \$50,000  
5 and an eligible claim for property tax rebate for real  
6 property taxes due and payable during the calendar year  
7 preceding the first year in which a payment under section  
8 505(b) is made and each year thereafter and whose real  
9 property taxes exceed [~~15%~~] 10% of the claimant's  
10 household income shall be [~~equal to 50% of the base~~  
11 ~~amount determined under subparagraph (i)] \$1,000. A  
12 claimant who is a resident of a city of the first class,  
13 a city of the second class A or a school district of the  
14 first class A shall be ineligible for the supplemental  
15 amount under this subparagraph.~~

16 (3) The amount of any claim for rent rebate in lieu of  
17 property taxes for rent due and payable during calendar year  
18 2006 and thereafter shall be determined in accordance with  
19 the following:

20	Amount of Rent Rebate in	
21	Lieu of Property Taxes	
22	Household Income	Allowed as Rebate
23	\$ 0 - \$ 8,000	\$650
24	8,001 - 15,000	500

25 (b) Limitations on claims.--

26 (1) No claim through calendar year 2005 shall be allowed  
27 if the amount of property tax or rent rebate computed in  
28 accordance with this section is less than \$10, and the  
29 maximum amount of property tax or rent rebate payable shall  
30 not exceed \$500.

1           (2) For calendar year 2006 and thereafter, the maximum  
2 amount of property tax or rent rebate in lieu of property  
3 taxes payable shall not exceed the lesser of:

4           (i) the amount of a claim under subsection (a) (2) or  
5 (3);

6           (ii) the amount of real property taxes actually  
7 paid; or

8           (iii) 20% of gross rent actually paid.

9           (3) No claim shall be allowed if the claimant is a  
10 tenant of an owner of real property exempt from real property  
11 taxes.

12 (c) Apportionment and public assistance.--

13           (1) If any of the following exist relating to a claim:

14           (i) a homestead is owned or rented and occupied for  
15 only a portion of a year or is owned or rented in part by  
16 a person who does not meet the qualifications for a  
17 claimant, exclusive of any interest owned or leased by a  
18 claimant's spouse;

19           (ii) the claimant is a widow or widower who  
20 remarries; or

21           (iii) the claimant is a formerly disabled person who  
22 is no longer disabled,

23 the department shall apportion the real property taxes or  
24 rent in accordance with the period or degree of ownership or  
25 leasehold or eligibility of the claimant in determining the  
26 amount of rebate for which a claimant is eligible.

27           (2) A claimant who receives public assistance from the  
28 Department of Public Welfare shall not be eligible for rent  
29 rebate in lieu of property taxes during those months within  
30 which the claimant receives public assistance.

1 (d) Government subsidies.--Rent shall not include subsidies  
2 provided by or through a governmental agency.

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