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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 193      Session of  
2003

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INTRODUCED BY BOSCOLA, MUSTO, O'PAKE AND KITCHEN,  
FEBRUARY 6, 2003

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REFERRED TO FINANCE, FEBRUARY 6, 2003

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AN ACT

1 Prohibiting school districts from levying or collecting real  
2 property taxes after December 31, 2003.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Home Owners  
7 Freedom Act to Repeal and Eliminate School Property Taxes (HOME  
8 FREE).

9 Section 2. Legislative intent.

10 The General Assembly finds and declares as follows:

11 (1) Pennsylvania's extreme and disproportionate reliance  
12 upon local property taxes as the single largest source of  
13 funding for public schools has long been recognized as one of  
14 the most inequitable systems of taxation among the 50 states.

15 (2) Real property taxes levied by local school districts  
16 have become a tremendous burden upon homeowners and property  
17 owners throughout this Commonwealth.

1           (3) Senior citizens, our older Pennsylvanians, and  
2 individuals living on fixed incomes are literally being taxed  
3 out of their homes because they can no longer afford to pay a  
4 local school property tax that is substantially increased  
5 almost on an annual basis.

6           (4) Senior citizens, our older Pennsylvanians, have  
7 consistently been the most adversely affected and  
8 overburdened by the inequities inherent in a property tax  
9 system which does not take into consideration their limited  
10 incomes or their ability to pay.

11           (5) Both the State share of the total cost of public  
12 education and the percentage of the State budget dedicated to  
13 public education have fallen dramatically, requiring equally  
14 dramatic increases in local school property taxes that only  
15 serve to burden taxpayers further.

16           (6) Assessing the value of a person's home, which forms  
17 the basis for how much a property owner must pay in taxes, is  
18 a very subjective and unreliable process that has proven to  
19 be unfair and inconsistent.

20           (7) The Commonwealth has a fundamental obligation to  
21 fully fund a system of public education by means that are  
22 both equitable and adequate.

23           (8) Local tax reforms provided for under 53 Pa.C.S. Pt.  
24 VII Subpt. C (relating to taxation and assessments) have not  
25 materialized nor produced meaningful tax relief for  
26 homeowners as intended by providing alternatives for local  
27 school districts to replace property taxes with a limited  
28 earned income tax.

29           (9) Other states, including Michigan, Texas and Wyoming  
30 have successfully and creatively addressed the inherent

1 problems of relying too heavily on property taxes to fund  
2 public education and have acted to eliminate or significantly  
3 reduce that reliance on the local school property tax.

4 (10) The citizens of this Commonwealth deserve, desire  
5 and demand that the legislature eliminate and repeal the  
6 local school property tax and establish a fairer and more  
7 equitable system of supporting public education.

8 Section 3. Real property tax prohibition.

9 Notwithstanding the provisions of any other law to the  
10 contrary, no school district may levy or collect real property  
11 taxes for any purpose after December 31, 2003.

12 Section 4. Effective date.

13 This act shall take effect immediately.