

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2263 Session of
2000

INTRODUCED BY BROWNE, HARHART, BOYES AND RUBLEY,
FEBRUARY 14, 2000

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 14, 2000

AN ACT

1 Providing property tax relief for individual homestead owners in
2 the form of a homestead rebate.

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 Keystone
7 Homestead Rebate Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Assessor." The chief assessor of the county, the equivalent
13 position in a home rule county or the equivalent position in a
14 city of the third class that performs its own assessments of
15 real property.

16 "Department." The Department of Revenue of the Commonwealth
17 or its designee.

1 "Homestead." The primary residence and the parcel of land
2 within this Commonwealth on which the residence is located and
3 other improvements located on the parcel, except that:

4 (1) If the person who owns the residence does not own
5 the land, the homestead does not include the land on which
6 the residence is located.

7 (2) If the residence is a unit in a condominium, as
8 defined in 68 Pa.C.S. § 3103 (relating to definitions), or a
9 cooperative, as defined in 68 Pa.C.S. § 4103 (relating to
10 definitions), the homestead is the unit, the value of which
11 shall be determined in a manner consistent with the
12 assessment of real property taxes on units under 68 Pa.C.S.
13 (relating to real and personal property) or as otherwise
14 provided by law. If the unit is not separately assessed for
15 real property taxes, the homestead's value shall be a pro
16 rata share of the real property.

17 (3) If a portion of the structure is not used as the
18 residence, the homestead is equal to the portion of the
19 structure that is used as a residence.

20 This definition of "homestead" shall have no effect, evidentiary
21 or otherwise, concerning the issue of whether the property
22 constitutes a homestead or homestead property under any other
23 act.

24 "Real property tax." The total real property tax imposed by
25 a school district on a homestead for the tax year. The term does
26 not include payments made in lieu of taxes or any penalties or
27 interest paid in connection with the tax.

28 "Rebate." An amount equal to 100% of the real property tax
29 paid on the assessed value of a homestead to a school district
30 for the tax year, except that no rebate paid pursuant to this

1 act shall exceed \$100.

2 "Residence." A structure used as a place of habitation by a
3 resident.

4 "Resident." Any of the following:

5 (1) An individual who is a natural person domiciled in
6 this Commonwealth.

7 (2) A grantor who has placed real property in a
8 revocable trust, provided that the grantor is a natural
9 person domiciled in this Commonwealth.

10 (3) A partner of a family farm partnership or a
11 shareholder of a family farm corporation as the terms are
12 defined in section 1101-C of the act of March 4, 1971 (P.L.6,
13 No.2), known as the Tax Reform Code of 1971, provided that
14 the partner or shareholder is a natural person domiciled in
15 this Commonwealth.

16 "School district." A school district of the first class,
17 first class A, second class, third class or fourth class,
18 including any independent school district.

19 "Tax year." The school district's fiscal year 1999-2000
20 during which real property tax is due and payable.

21 Section 3. Rebate qualifications.

22 (a) General rule.--Subject to section 4, a rebate shall be
23 issued for a homestead if all of the following apply:

24 (1) The resident occupied the homestead during the tax
25 year.

26 (2) The resident paid real property tax to a school
27 district for the tax year.

28 (3) The resident is the owner of record as of July 1,
29 1999.

30 A resident shall not receive more than one rebate.

1 (b) Multiple owners.--If title to a homestead is held by
2 more than one individual, a rebate shall be issued in the names
3 appearing on the local property tax record to be divided by the
4 owners.

5 Section 4. Rebate administration.

6 (a) Regulations.--The department, on behalf of local taxing
7 authorities, shall establish administrative procedures or
8 policies, and regulations as necessary, to implement and
9 administer this act. The department may enter into any contracts
10 which are necessary to administer this act.

11 (b) Submission of certified lists.--Within 30 days of the
12 effective date of this act, every assessor shall submit to the
13 department a certified list, categorized by school district, of
14 all residential and farm real property and owners of record
15 within its jurisdiction. The certified list shall only include
16 those owners of record who have fully paid their 1999-2000 real
17 property tax.

18 (c) Departmental review.--Only certified lists submitted
19 within 30 days of the effective date of this act shall be
20 reviewed by the department. The department shall make the
21 initial eligibility determination by June 30, 2000, from
22 information submitted by that date. The department shall
23 thereafter forward the reviewed list of residents to the
24 assessors.

25 (d) Verification of lists.--Within 30 days after receipt of
26 the reviewed list of residents, the assessor shall verify the
27 list and report to the department any corrections to the list.

28 (e) Issuance of rebates.--The department shall make, as it
29 deems necessary and appropriate, any corrections to the verified
30 list and authorize rebates by August 31, 2000. The rebate shall

1 be issued and mailed to all residents listed on the corrected
2 verified list by October 20, 2000. If the assessor fails to
3 verify the list or notify the department of any corrections
4 within the time limitation set forth under subsection (d), the
5 department shall authorize rebates to all residents that it
6 recommended to the assessor.

7 Section 5. Petitions for review.

8 A resident whose rebate is either denied, corrected or
9 otherwise adversely affected by either the department or the
10 assessor may petition for administrative review in the manner
11 prescribed by the department. An individual aggrieved by the
12 department's action in connection with the administrative review
13 may petition for review in the manner specified in sections 11.1
14 and 11.2 of the act of March 11, 1971 (P.L.104, No.3), known as
15 the Senior Citizens Rebate and Assistance Act.

16 Section 6. Penalties.

17 Any resident who receives a rebate through false or
18 misleading conduct or action shall be required to do all of the
19 following:

20 (1) Refund to the department the amount of rebate
21 received, plus simple interest computed at the rate provided
22 in section 806 of the act of April 9, 1929 (P.L.343, No.176),
23 known as The Fiscal Code.

24 (2) Pay a civil penalty of \$50 to the department.

25 Section 7. Erroneous rebates.

26 (a) General rule.--If the department determines or finds a
27 rebate to have been incorrectly or erroneously paid, it shall
28 redetermine the correct amount of the rebate, if any, and notify
29 the resident of the reason for the correction and the amount of
30 the rebate.

1 (b) Recovery.--If a rebate has been issued in error and the
2 resident fails to refund the rebate upon the department's
3 request, the rebate shall be recoverable by the department in
4 the same manner as assessments as provided for in section 338 of
5 the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform
6 Code of 1971.

7 Section 8. Effective date.

8 This act shall take effect immediately.