

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1846 Session of
2005

INTRODUCED BY RAMALEY, DeWEESE, LEVDANSKY, SURRA, SCAVELLO,
GERGELY, BARRAR, BIANCUCCI, BLACKWELL, BLAUM, CASORIO,
CRAHALLA, EACHUS, FABRIZIO, FREEMAN, GERBER, GOOD, GOODMAN,
GRUCELA, HANNA, HARHAI, JOSEPHS, KOTIK, LaGROTTA, LEACH,
MARKOSEK, McCALL, PETRARCA, PETRONE, PISTELLA, PRESTON,
ROBERTS, ROONEY, SAINATO, SCHRODER, SIPTROTH, SHANER,
SHAPIRO, SOLOBAY, STABACK, STETLER, STURLA, TANGRETTI, TIGUE,
WALKO, WANSACZ, WATERS, WOJNAROSKI, YOUNGBLOOD AND YUDICHAK,
JULY 2, 2005

REFERRED TO COMMITTEE ON EDUCATION, JULY 2, 2005

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," establishing the Property Tax Fund.

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

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

11 Section 689. Property Tax Fund.--(a) The Property Tax Fund
12 is established as a separate fund in the State Treasury.

13 (b) It is hereby declared as the intent and goal of the
14 General Assembly to create a property tax fund to provide
15 property tax relief to resident-homeowners in this Commonwealth.

16 (c) For the fiscal year beginning July 1, 2005, and in any

fiscal year thereafter in which the Secretary of the Budget certifies that there is a surplus in the General Fund, fifty percent (50%) of the surplus shall be deposited by the end of the next succeeding quarter into the Property Tax Fund.

(d) The General Assembly may at any time provide additional amounts from any funds available to the Commonwealth as an appropriation to the Property Tax Fund.

(e) Money from the Property Tax Fund shall be used to reduce property taxes in this Commonwealth. At such time as the Property Tax Fund exceeds one hundred million dollars (\$100,000,000), the Secretary of the Budget shall distribute all of such funds to public school districts as follows:

(1) The Department of Education and the Department of Revenue, utilizing county tax records, shall determine the number of resident-homeowner taxpayers in each school district.

(2) The Statewide aggregate total of resident-homeowner taxpayers shall be divided into the dollar amount available pursuant to this subsection.

(3) The result from paragraph (2) shall be multiplied by the number of resident-homeowner taxpayers in the school district to determine the amount of the payment to the school district.

(4) The Secretary of the Budget shall certify the amount due to each school district by certified mail and provide an affidavit, which shall be signed by the President of the District Board of Directors, agreeing that the funds received pursuant to this subsection shall be used to reduce the property taxes of resident-homeowners during the next immediate taxing cycle.

(f) The school district shall mail with each tax bill, a letter:

1 (1) Explaining the reduction in property taxes.

2 (2) Stating that the reduction is for that tax year only and
3 that the rate of taxing in the school district has not been
4 reduced and that the reduction seen in the tax bill is due to a
5 transfer of funds from the Commonwealth's Property Tax Fund.

6 (3) Stating that future reductions will be made only when
7 the Property Tax Fund exceeds one hundred million dollars
8 (\$100,000,000) and that it may be more than one year for this
9 threshold to be met.

10 (g) Nothing in this section shall be construed to prohibit a
11 school district from participating in the provisions of the act
12 of July 5, 2004 (P.L.654, No.72), known as the "Homeowner Tax
13 Relief Act."

14 (h) As used in this section, "resident-homeowner taxpayer"
15 shall mean the owner of a dwelling primarily used as the
16 domicile of the owner and such dwelling meets the definition of
17 "homestead" as defined in 53 Pa.C.S. § 8401 (relating to
18 definitions).

19 Section 2. This act shall take effect immediately.