



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 898

PRINTERS NO. 1064

PRIME SPONSOR: Hutchinson

COST / (SAVINGS)

FUND	FY 2016/17	FY 2017/18
Political Subdivision Funds	\$0	\$0

SUMMARY: Amends the Second Class County Code to expand the anti-windfall provisions to cover any special tax. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends the Second Class County Code to specify that each tax must be made revenue neutral after a countywide reassessment, resolving any contention that multiple tax rates can be adjusted differently so long as total revenue neutrality was the final outcome.

Additionally, the legislation dictates that tax rates previously set by referendum must also be adjusted in a revenue neutral manner, notwithstanding the fact that the rate was established by referendum. However, subsequent changes in the rate of those referendum taxes must be according to the procedure established in the enabling act.

A clarification was also added within the legislation that these provisions do not affect a school district which is already subject to the anti-windfall provisions of the Taxpayer Relief Act (Act 1 of 2006, Sp. Sess.1).

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth or political subdivision funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: October 24, 2016

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.