



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 974

PRINTERS NO. 3593

PRIME SPONSOR: Peifer

COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
General Fund	\$0	\$0

SUMMARY: House Bill 974, Printer's Number 3593, creates a free-standing act authorizing municipalities to implement senior citizen tax reduction incentive volunteer exchange programs.

ANALYSIS: This legislation, to be known as The Senior Citizen Tax Reduction Incentive Act, creates the senior citizen tax reduction incentive volunteer exchange program that authorizes a municipality to establish a program allowing taxpayers in the municipality who are 60 years or older to provide volunteer services to the municipality in exchange for a reduction in their property tax bill, not to exceed the amount of real property taxes that are owed. Each participant shall be compensated with a real property tax credit for each volunteer service hour, the value of which shall be no less than the minimum hourly wage required by the Minimum Wage Act of 1968. If a municipality chooses to establish such a program, it must be done in accordance with the provisions of this legislation. The volunteer services provided by participants in the program may not replace or supplant existing job positions in a municipality and participants may receive no other compensation for such volunteer services. Municipalities may seek private and public funding sources to support a program.

The act shall take effect immediately.

FISCAL IMPACT: Enactment of this legislation will have no adverse fiscal impact on Commonwealth funds. This legislation provides that a municipality may establish a senior citizen tax reduction program; therefore, any reduced property tax revenues as a result of establishing such a program are at the discretion of the municipality in exchange for volunteer services.

PREPARED BY: Ritchie LaFaver
House Appropriations Committee (R)

DATE: April 21, 2020

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