

# **SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE**

**BILL NO.** House Bill 683

**PRINTER NO.** 1427

**AMOUNT**

\$3,800,000

**FUND**

Property Tax Relief Fund

**DATE INTRODUCED**

March 3, 2015

**PRIME SPONSOR**

Representative Rapp

**DESCRIPTION AND PURPOSE OF BILL**

House Bill 683 amends Chapter 13 of the Taxpayer Relief Act (1<sup>st</sup> Special Session Act 1 of 2006) with regard to the Senior Citizens Property Tax and Rent Rebate Assistance program ("PTRR").

The legislation eliminates Federal veterans' disability payments and State veterans' benefits from the definition of income when determining a claimant's eligibility for the PTRR.

House Bill 683 defines the term "State veterans' benefits" as service-connected compensation or benefits of any kind provided to a veteran or an unmarried surviving spouse of a veteran by a commonwealth agency or authorized under the laws of this commonwealth.

This act shall take effect in 60 days.

**FISCAL IMPACT:**

House Bill 683 will result in additional PTRR payments estimated at \$3.8 million according to the Pennsylvania Department of Revenue. Excluding veterans' disability payments and benefits from the definition of income will reduce the eligibility income of some claimants allowing those claimants to either qualify for a rebate or to qualify for an increased rebate amount.

PTRR rebates are paid out of the Lottery Fund. Section 1308 of the Taxpayer Relief Act provides that the payment of PTRR claims for amounts greater than the claims paid in fiscal year 2006-07 shall be transferred from the Property Tax Relief Fund to the Lottery Fund. Therefore, additional funds will be transferred from the Property Tax Relief Fund to the Lottery Fund to reimburse the costs of the legislation.

The legislation will have no fiscal impact on the General Fund or the Lottery Fund.