

MEMO



DEC 03 2010

Senate of Pennsylvania

December 2, 2010

**TO:** ALL SENATORS  
**FROM:** Stewart J. Greenleaf *Stewart*  
**SUBJECT:** Cosponsorship -- **Senior Citizens School Real Property Tax Freeze Act**

I am reintroducing **Senate Bill 51**, the Senior Citizens School Real Property Tax Freeze Act. The legislation exempts homeowners who are at least 65 years old with a household income of \$40,000 or less from paying increases in their school real property taxes. Many senior citizens have limited and fixed incomes so increases in school real property taxes are especially burdensome for them.

The legislation applies only to school real property taxes and only to the taxpayer's primary residence, referred to as the "homestead." An eligible taxpayer's homestead is real property which qualifies as a homestead under the Senior Citizens Rebate and Assistance Act. It does not include rented or leased real property.

The annual school real property tax exemption granted under this legislation shall equal the increase in school real property taxes on the eligible taxpayer's homestead. The amount shall be calculated by subtracting the amount of school real property taxes on the homestead in the base year (the year before the taxpayer became 65 years of age) from the amount of school real property taxes on the homestead in the tax year for which a claim is filed.

In effect the legislation freezes or caps the amount of school real property tax that the senior citizen has to pay on the homestead. This tax exemption may be claimed each tax year. In addition to the age and income requirements, the taxpayer may not be delinquent in paying school real property taxes on the homestead.

Pursuant to section 2(b) of Article VIII of the State constitution, the Commonwealth must reimburse school districts for losses in revenue occasioned by the tax exemption provided under this legislation. The Department of Education shall administer the reimbursements.

*If you are interested in cosponsoring this legislation, please contact Pat Snively of my office by e-mailing her at [psnively@pasen.gov](mailto:psnively@pasen.gov).*