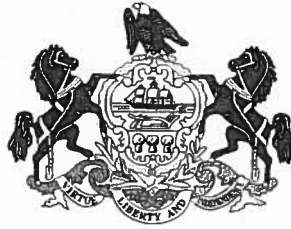


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## House of Representatives

Commonwealth of Pennsylvania  
Harrisburg

### MEMORANDUM

**COMMITTEES**  
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PA HISTORICAL AND MUSEUM COMMISSION,  
MEMBER  
COMMISSION ON CRIME AND DELINQUENCY,  
MEMBER

**TO:** All House Members

**FROM:** Representative Bernie O'Neill  
29<sup>th</sup> Legislative District

Representative Scott A. Petri  
178<sup>th</sup> Legislative District

**DATE:** May 16, 2012

**SUBJECT:** Proposed Legislation  
Expansion of the PTRR Program for Senior Homeowners

Over the course of recent legislative sessions, the General Assembly has made the consideration of legislation which provides school property tax relief and reform relating to seniors a priority. The need for this consideration stems from the fact that many seniors across Pennsylvania reside on a fixed income and are ill-equipped to financially cope with the cost associated with annual school property increases.

As I'm sure you are all aware, the Commonwealth enacted the Property Tax/Rent Rebate (PTRR) Program in 1971 with the intent providing rebates to certain senior homeowners that have met their property tax obligation in full for the applicable school year. The current eligibility requirements associated with the PTRR Program allow any senior homeowner with a household income of less than \$35,000 to apply for a rebate relating to their property tax payment. When calculating household income, an eligible senior is permitted to exclude half of their annual social security benefit. Rebate amounts are predicated upon household income levels and range anywhere from \$650 to \$250.

The current eligibility requirements and corresponding rebates associated with the PTRR Program financially assist a great number of seniors across Pennsylvania. However, there is no doubt that additional school property tax relief for seniors is necessary. With this in mind, we will be introducing legislation in the near future which will expand the PTRR Program eligibility requirements and increase the rebate amounts for senior homeowners.

Our legislation will expand the household income threshold from its current maximum value of \$35,000 to \$75,000. When calculating income, eligible seniors will still be permitted to exclude half of their annual social security benefit. Additionally, the table provided below illustrates the increased rebate amounts that will be available to eligible seniors under this proposal.

Annual Household Income	Rebate Amount
\$0-\$15,000	\$1,100
\$15,001-\$35,000	\$1,000
\$35,001-\$40,000	\$900
\$40,001-\$75,000	\$800

To fund this expansion an additional \$600 million will be utilized from what is annually deposited into the Property Tax Relief Fund. The absorption of additional funds contained within the Property Tax Relief Fund may prohibit the Commonwealth from annually funding homestead exemptions which assist homeowners with the property taxes assessed against their primary residence. Currently, the Budget Secretary may only fund homestead exemptions if more than \$400 million remains in the Property Tax Relief Fund after the existing obligation to the PTRR Program is met.

Please join us in our efforts to assist senior homeowners across Pennsylvania with the ever increasing burden on school property taxes. If you wish to co-sponsor this important piece of legislation, please contact Ann Marie Segilia at [asegilia@pahousegop.com](mailto:asegilia@pahousegop.com).

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