

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2205 Session of
1993

INTRODUCED BY HALUSKA, REBER, ARMSTRONG, BATTISTO, BELFANTI,
BUNT, CAPPABIANCA, CARONE, CESSAR, CIVERA, CURRY, DALEY,
DEMPSEY, DRUCE, EGOLF, FAIRCHILD, FAJT, FARGO, FARMER,
FICHTER, GERLACH, GORDNER, HANNA, HENNESSEY, HERMAN, HERSHEY,
HUTCHINSON, KREBS, KUKOVICH, LaGROTTA, LAUB, LAUGHLIN, LEH,
LEVDANSKY, MAITLAND, MARSICO, MASLAND, McCALL, MIHALICH,
MILLER, MUNDY, NAILOR, NYCE, PETRONE, PITTS, PLATTS, RAYMOND,
ROHRER, SANTONI, SATHER, SAYLOR, SCHULER, SEMMEL, B. SMITH,
D. W. SNYDER, STEIL, STERN, STRITTMATTER, SURRA, TANGRETTI,
E. Z. TAYLOR, TIGUE, TRUE, TULLI, VANCE, FREEMAN, VAN HORNE,
WOZNIAK, M. N. WRIGHT, YANDRISEVITS, STEELMAN, TRELLO,
S. H. SMITH, MERRY, ROONEY AND WAUGH, NOVEMBER 24, 1993

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
APRIL 12, 1994

AN ACT

1 Providing an optional universal exemption for all real property.

2 The General Assembly of the Commonwealth of Pennsylvania

3 hereby enacts as follows:

4 Section 1. Exemption.

5 (a) General rule.--

6 (1) For taxing jurisdictions where the established

7 predetermined ratio is 100% of market value, the lesser of

8 the following amounts may be exempt from any taxes imposed on

9 real property by any county, municipality or school district:

10 (i) up to the first \$20,000 of the assessed value of

11 each parcel of real property within the taxing

12 jurisdiction; or

1 (ii) up to 50% of the assessed value of each parcel
2 of real property within the taxing jurisdiction.

3 (2) For taxing jurisdictions where the established
4 predetermined ratio is less than 100% of market value, the
5 lesser of the following amounts may be exempt from any taxes
6 imposed on real property by any county, municipality or
7 school district:

8 (i) up to the amount arrived at by multiplying
9 \$20,000 by the established predetermined ratio currently
10 in effect for the taxing jurisdiction; or

11 (ii) up to 50% of the assessed value of each parcel
12 of real property within the taxing jurisdiction.

13 (3) The amount of an exemption set for use by any taxing
14 jurisdiction shall be set by the governing body of that
15 taxing jurisdiction.

16 (b) Lost revenue.--Revenues which are not collected as a
17 result of subsection (a) may be collected by utilizing the
18 taxing powers under the act of (P.L. , No.),
19 known as the Optional Local Tax Enabling Act. A COUNTY ADOPTING <—
20 A PERSONAL INCOME TAX, A SALES AND USE TAX OR A MUNICIPALITY OR
21 SCHOOL DISTRICT ADOPTING A PERSONAL INCOME TAX UNDER THE
22 OPTIONAL LOCAL TAX ENABLING ACT SHALL USE THE PROCEEDS FROM
23 THESE TAXES TO REDUCE EXISTING TAXES IN THIS ORDER:

24 (1) A TAX BASED UPON A FLAT RATE OR ON A MILLAGE RATE ON
25 AN ASSESSED VALUATION OF A PARTICULAR TRADE, OCCUPATION OR
26 PROFESSION, COMMONLY KNOWN AS AN OCCUPATION TAX. A TAX AT A
27 SET OR FLAT RATE UPON PERSONS EMPLOYED WITHIN THE TAXING
28 DISTRICT, COMMONLY KNOWN AS AN OCCUPATIONAL PRIVILEGE TAX. A
29 PER CAPITA, POLL, RESIDENCE OR SIMILAR HEAD TAX. THE
30 INTANGIBLE PERSONAL PROPERTY TAX UNDER THE ACT OF JUNE 17,

1 1913 (P.L.507, NO.335), REFERRED TO AS THE INTANGIBLE
2 PERSONAL PROPERTY TAX LAW.

3 (2) THE REAL PROPERTY TAX BY A UNIVERSAL PROPERTY TAX
4 EXEMPTION UP TO \$20,000 ON MARKET VALUE OR AN AMOUNT TO BE
5 ARRIVED AT BY MULTIPLYING THE MARKET VALUE EXEMPTION AS SET
6 BY THE TAXING JURISDICTION BY THE ESTABLISHED PREDETERMINED
7 RATIO CURRENTLY IN EFFECT FOR THE TAXING JURISDICTION, OR
8 ONE-HALF OF THE VALUE OF THE PROPERTY, WHICHEVER IS LESS.

9 (3) THE MILLAGE RATE OF REAL PROPERTY TAXES AFTER THE
10 MAXIMUM UNIVERSAL EXEMPTION AMOUNT OF \$20,000 ON MARKET VALUE
11 HAS BEEN GRANTED.

12 Section 2. Applicability.

13 This act shall apply to all taxes on real property due on or
14 after January 1, 1995.

15 Section 3. Effective date.

16 This act shall take effect January 1, 1995.