
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 2

Session of
2000

INTRODUCED BY SALVATORE, LOEPER, JUBELIRER, TILGHMAN, WAUGH,
RHOADES, LEMMOND, THOMPSON, DENT, HOLL, WENGER, BRIGHTBILL,
ROBBINS, WAGNER AND BOSCOLA, MARCH 20, 2000

REFERRED TO FINANCE, MARCH 20, 2000

AN ACT

1 Providing a State rebate to homeowners and for the powers and
2 duties of the Department of Revenue and local assessors; and
3 imposing penalties.

4 The General Assembly finds and declares as follows:

5 (1) School property taxes have escalated at a rate over
6 and above the rate of inflation and have become a substantial
7 burden on millions of Pennsylvania homeowners. Property tax
8 increases are of great concern to citizens of this
9 Commonwealth.

10 (2) Pennsylvania currently enjoys a unique opportunity
11 to provide some relief to homeowners for properties
12 identified as homestead properties within the meaning of
13 homestead in section 2(b)(vi) of Article VIII of the
14 Constitution of Pennsylvania.

15 The General Assembly of the Commonwealth of Pennsylvania
16 hereby enacts as follows:

17 Section 1. Short title.

18 This act shall be known and may be cited as the Homeowners'

1 Century Tax Rebate Act.

2 Section 2. Definitions.

3 The following words and phrases when used in this act shall
4 have the meanings given to them in this section unless the
5 context clearly indicates otherwise:

6 "Assessor." The chief assessor of a county, the equivalent
7 position in a home rule county or the equivalent position in a
8 city of the third class that performs its own assessments of
9 real property.

10 "Department." The Department of Revenue of the Commonwealth
11 or its designee.

12 "Homeowner." Any of the following:

13 (1) An individual who is a natural person domiciled in
14 this Commonwealth.

15 (2) A grantor who has placed real property in a
16 revocable trust, provided that the grantor is a natural
17 person domiciled in this Commonwealth.

18 (3) A partner of a family farm partnership or a
19 shareholder of a family farm corporation as the terms are
20 defined in section 1101-C of the act of March 4, 1971 (P.L.6,
21 No.2), known as the Tax Reform Code of 1971, provided that
22 the partner or shareholder is a natural person domiciled in
23 this Commonwealth.

24 "Homestead." The owner-occupied, primary residence and the
25 parcel of land within this Commonwealth on which the residence
26 is located and other improvements located on the parcel. This
27 definition of "homestead" shall have no effect, evidentiary or
28 otherwise, concerning the issue of whether the property
29 constitutes a homestead or homestead property under any other
30 act.

1 "Real property tax." The total real property tax imposed by
2 a school district on a homestead for the tax year. The term does
3 not include payments made in lieu of taxes or any penalties or
4 interest paid in connection with the tax.

5 "Rebate." An amount equal to 100% of the real property tax
6 paid on the assessed value of a homestead to a school district
7 for the tax year, except that no rebate paid pursuant to this
8 act shall exceed \$100.

9 "Residence." A structure used as a place of habitation by a
10 resident who is the owner of the structure.

11 "School district." A school district of the first class,
12 first class A, second class, third class or fourth class,
13 including any independent school district.

14 "Tax year." The school district's fiscal year 1999-2000
15 during which real property tax is due and payable.

16 Section 3. Rebate qualifications.

17 (a) General rule.--Subject to section 4, a rebate shall be
18 issued for a homestead if all of the following apply:

19 (1) The homeowner occupied the homestead during the tax
20 year.

21 (2) The homeowner paid real property tax to a school
22 district for the tax year.

23 (3) The homeowner is the owner of record as of July 1,
24 1999.

25 No person shall be eligible to receive more than one rebate.

26 (b) Multiple owners.--If title to a homestead is held by
27 more than one individual, a rebate shall be issued in the names
28 appearing on the school property tax record.

29 Section 4. Rebate administration.

30 (a) Regulations.--The department shall establish

1 administrative procedures or policies, and regulations as
2 necessary, to implement and administer this act. The department
3 may enter into any contracts which are necessary to administer
4 this act.

5 (b) Submission of certified lists.--Within 30 days of the
6 effective date of this act, every assessor shall submit to the
7 department a certified list, categorized by school district, of
8 all residential and farm real property and owners of record as
9 of July 1, 1999, within its jurisdiction. The certified list
10 shall only include those homeowners of record who have fully
11 paid their 1999-2000 school real property taxes.

12 (c) Departmental review.--Only certified lists submitted
13 within 30 days of the effective date of this act shall be
14 reviewed by the department. The department shall make the
15 initial determination of homeowner rebate eligibility by June
16 30, 2000, from information submitted by that date. The
17 department shall thereafter forward the list of eligible
18 homeowners.

19 (d) Verification of lists.--Within 30 days after receipt of
20 the list of eligible homeowners, the assessor shall verify the
21 list and report to the department any corrections to the list.

22 (e) Issuance of rebates.--The department shall finalize the
23 list and authorize rebates by August 31, 2000. The rebate shall
24 be issued and mailed to all homeowners on the final verified
25 list by October 20, 2000. If the assessor fails to verify the
26 list or notify the department of any corrections within the time
27 limitation set forth under subsection (d), the department shall
28 authorize rebates to all homeowners on the final list.

29 Section 5. Petitions for review.

30 A homeowner whose rebate is either denied, corrected or

1 otherwise adversely affected by either the department or the
2 assessor may petition for administrative review in the manner
3 prescribed by the department. An individual aggrieved by the
4 department's action in connection with the administrative review
5 may petition for review in the manner specified in sections 11.1
6 and 11.2 of the act of March 11, 1971 (P.L.104, No.3), known as
7 the Senior Citizens Rebate and Assistance Act.

8 Section 6. Penalties.

9 Any homeowner who receives a rebate through false or
10 misleading conduct or action or who owes delinquent taxes to the
11 State or school district may be required to do the following:

12 (1) refund to the department the amount of rebate
13 received;

14 (2) pay a civil penalty of \$50 to the department; or

15 (3) both paragraphs (1) and (2).

16 Section 7. Erroneous rebates.

17 (a) General rule.--If the department determines or finds a
18 rebate to have been incorrectly or erroneously paid, it shall
19 redetermine the correct amount of the rebate, if any, and notify
20 the homeowner of the reason for the correction and the amount of
21 the rebate.

22 (b) Recovery.--If a rebate has been issued in error and the
23 homeowner fails to refund the rebate upon the department's
24 request, the rebate shall be recoverable by the department in
25 the same manner as assessments as provided for in section 338 of
26 the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform
27 Code of 1971.

28 Section 8. Effective date.

29 This act shall take effect immediately.