

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 803 Session of
2005

INTRODUCED BY CLYMER, ARGALL, ARMSTRONG, BAKER, BARRAR, BASTIAN,
BEBKO-JONES, BELARDI, CALTAGIRONE, CAPPELLI, CASORIO,
CORRIGAN, CRAHALLA, DALLY, D. EVANS, FAIRCHILD, FORCIER,
GEIST, GEORGE, GILLESPIE, GINGRICH, GODSHALL, GOODMAN,
GRUCELA, HANNA, HARRIS, HENNESSEY, HERMAN, HERSHEY,
HUTCHINSON, JAMES, KILLION, LEH, LESCOVITZ, McILHINNEY,
S. MILLER, O'NEILL, PETRARCA, PICKETT, READSHAW, ROBERTS,
SAINATO, SCAVELLO, SCHRODER, SEMMEL, SHANER, STABACK, STERN,
TANGRETTI, E. Z. TAYLOR, THOMAS, TRUE, WALKO, WASHINGTON,
WATSON, RAPP, YOUNGBLOOD, MAHER, BOYD, DENLINGER, PYLE,
TURZAI, FICHTER AND CRUZ, MARCH 14, 2005

REFERRED TO COMMITTEE ON FINANCE, MARCH 14, 2005

AN ACT

1 Amending the act of December 31, 1965 (P.L.1257, No.511),
2 entitled "An act empowering cities of the second class,
3 cities of the second class A, cities of the third class,
4 boroughs, towns, townships of the first class, townships of
5 the second class, school districts of the second class,
6 school districts of the third class and school districts of
7 the fourth class including independent school districts, to
8 levy, assess, collect or to provide for the levying,
9 assessment and collection of certain taxes subject to maximum
10 limitations for general revenue purposes; authorizing the
11 establishment of bureaus and the appointment and compensation
12 of officers, agencies and employees to assess and collect such
13 taxes; providing for joint collection of certain taxes,
14 prescribing certain definitions and other provisions for
15 taxes levied and assessed upon earned income, providing for
16 annual audits and for collection of delinquent taxes, and
17 permitting and requiring penalties to be imposed and
18 enforced, including penalties for disclosure of confidential
19 information, providing an appeal from the ordinance or
20 resolution levying such taxes to the court of quarter
21 sessions and to the Supreme Court and Superior Court,"
22 providing for a citizens property tax freeze.

23 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. The act of December 31, 1965 (P.L.1257, No.511),
3 known as The Local Tax Enabling Act, is amended by adding a
4 section to read:

5 Section 17.1. Citizens Property Tax Freeze.--(a) To be
6 eligible for a tax freeze under this section, a claimant shall
7 be sixty-five years of age or older and meet the income
8 eligibility requirements under the act of March 11, 1971
9 (P.L.104, No.3), known as the "Senior Citizens Rebate and
10 Assistance Act."

11 (b) Notwithstanding the provisions of any other law to the
12 contrary, any person who meets the eligibility requirements
13 contained in this section shall be entitled to a real estate tax
14 freeze and shall not be required to pay any increases in
15 property taxes in excess of the claimant's base payment for a
16 minimum period of three years at which time the local taxing
17 authority shall review the fiscal impact of the tax freeze and
18 have the option to make an adjustment to the real estate millage
19 rate not to exceed the aggregate rate of inflation during the
20 three years the tax freeze was imposed.

21 (c) Any person eligible for a tax freeze under this section
22 may apply for the freeze by filing with the taxing authorities
23 the following documents:

24 (1) A statement of request for a tax freeze.

25 (2) A certification that the claimant or the claimant and
26 the claimant's spouse jointly are the owners in fee simple of
27 the residence upon which the property taxes are imposed.

28 (3) Evidence that the claimant is sixty-five years of age or
29 older and satisfies the income eligibility requirements in the
30 "Senior Citizens Rebate and Assistance Act."

1 (4) Receipts showing prompt payment of the current year's
2 property tax liability.

3 (d) The tax rate on and the assessment of any real estate
4 taxes shall become current on the sale or transfer of that real
5 property, including any transfer under a recorded real property
6 sales contract.

7 (e) The following words and phrases when used in this
8 section shall have the meanings given to them in this subsection
9 unless the context clearly indicates otherwise:

10 "Base payment." The amount of property tax paid by a
11 claimant either in the tax year beginning January 1, 2006, or in
12 the first tax year during which the claimant first becomes
13 eligible, whichever occurs later, on the principal residence in
14 which the claimant has maintained continuous occupancy and
15 ownership since either January 1, 2006, or the date upon which
16 the claimant first became eligible. In the event the claimant
17 purchases a residence after January 1, 2006, or after the date
18 upon which the claimant first becomes eligible, the base payment
19 means property taxes paid during the tax year in which the
20 purchase was made.

21 "Increases in property taxes." The additional payments due
22 above the base amount, resulting from millage increases,
23 modifications in the assessment ratio or assessment increase.

24 Section 2. This act shall take effect immediately.