PRINTER'S NO. 42

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 40

Special Session No. 1 of 2005

INTRODUCED BY QUIGLEY, YEWCIC, ROHRER, DENLINGER, LEH, WILT, ALLEN, ARMSTRONG, BALDWIN, BASTIAN, BIRMELIN, BUNT, CALTAGIRONE, CAPPELLI, CLYMER, CREIGHTON, DIVEN, FORCIER, GILLESPIE, GOODMAN, HARRIS, HERSHEY, KAUFFMAN, MACKERETH, MARSICO, McILHATTAN, R. MILLER, S. MILLER, MUSTIO, PICKETT, PYLE, RAPP, ROBERTS, SATHER, SAYLOR, SCHRODER, SEMMEL, STEIL, STERN AND T. STEVENSON, OCTOBER 24, 2005

REFERRED TO COMMITTEE ON APPROPRIATIONS, OCTOBER 24, 2005

AN ACT

Amending the act of March 11, 1971 (P.L.104, No.3), entitled, as amended, "An act providing property tax or rent rebate and inflation dividends to certain senior citizens, widows, widowers and permanently disabled persons with limited incomes; establishing uniform standards and qualifications for eligibility to receive rebates and dividends; providing for transportation assistance grants and grants to area agencies on aging for services to older persons; and imposing duties upon the Department of Revenue," further providing for property tax and rent rebate eligibility.

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

Section 1. Section 4(a.1) of the act of March 11, 1971 (P.L.104, No.3), known as the Senior Citizens Rebate and Assistance Act, reenacted and amended December 21, 1979 (P.L.570, No.131) and amended July 11, 1985 (P.L.207, No.53), is amended and the section is amended by adding a subsection to read:

Section 4. Property Tax; Rent Rebate and Inflation Cost.--

(a.1) (1) The amount of any claim for property tax rebate or rent rebate in lieu of property taxes for real property taxes or rent due and payable during calendar years 1981, 1982, 1983 and 1984 shall be determined in accordance with the following schedule:

Household Income	Percentage of Real Property Taxes or Rent Rebate in Lieu of Property Taxes Allowed as Rebate
$ 0 - $4,999	100%
5,000 - 5,999	80
6,000 - 6,999	60
7,000 - 7,999	40
8,000 - 8,999	20
9,000 - 11,999	10

(2) The amount of any claim for property tax rebate or rent rebate in lieu of property taxes for real property taxes or rent due and payable during calendar year 1985 and thereafter<u>, unless paragraph (3) applies,</u> shall be determined in accordance with the following schedule:

Household Income	Percentage of Real Property Taxes or Rent Rebate in Lieu of Property Taxes Allowed as Rebate
$ 0 - $4,999	100%
5,000 - 5,499	100
5,500 - 5,999	90
6,000 - 6,499	80
6,500 - 6,999	70
7,000 - 7,499	60
7,500 - 7,999	50
8,000 - 8,499	40

8,500 - 8,999	35
9,000 - 9,999	25
10,000 - 11,999	20
12,000 - 12,999	15
13,000 - 15,000	10

(3) The amount of any claim for property tax rebate for real property taxes due and payable during calendar year 2006 and thereafter in which imposition of school real property tax is prohibited by law shall be zero.

* * *

(f) (1) The amount of money expended by the department on the payment of real property tax rebates during calendar year 2007 and, in each year thereafter, as annually adjusted by the department in accordance with this subsection, shall be expended to expand eligibility for the thirteen thousand-fifteen thousand dollars ($13,000-$15,000) category of rent rebates in lieu of taxes. The department shall increase such eligibility by raising the maximum limit on household income from fifteen thousand dollars ($15,000) per year to a maximum household income threshold which can be financed pursuant to this paragraph for the applicable calendar year.

(2) No claimant shall be entitled to a rent rebate payment pursuant to this subsection for any calendar year to the extent that such payment would cause the total rent rebate in lieu of taxes received pursuant to this section in that calendar year to exceed the school real property tax portion of the rent rebate in lieu of taxes as calculated in this paragraph. The school real property tax portion of the rent rebate in lieu of taxes shall be determined by calculating the Statewide percentage of real estate tax revenues that were derived from the school real

property tax in calendar year 2006.

(3) For each calendar year following calendar year 2007, the department shall determine the amount of the State lottery funds to be expended for purposes of this subsection by increasing or reducing the amount determined for the preceding calendar year by a percentage which shall be determined by calculating the percentage increase or decrease in revenues derived from nonschool real property taxes throughout this Commonwealth from the preceding calendar year.

(4) Nothing in this subsection shall be construed to reduce the amount of a rent rebate in lieu of taxes payment or inflation dividend for which an eligible claimant qualified pursuant to subsection (a.1)(2) or (a.2)(2).

(5) This subsection shall only apply to eligible claimants residing in school districts where the rate of school real property taxes is required by act of the General Assembly to be reduced during the entire calendar year for which a claim is made pursuant to this subsection.

Section 2. This act shall take effect immediately.