

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 93

Session of
2007

INTRODUCED BY YOUNGBLOOD, CRUZ, COHEN AND BLACKWELL,
JANUARY 30, 2007

REFERRED TO COMMITTEE ON FINANCE, JANUARY 30, 2007

AN ACT

1 Amending the act of July 2, 1996 (P.L.529, No.91), entitled "An
2 act implementing the provisions of section 2(b)(ii) of
3 Article VIII of the Constitution of Pennsylvania by
4 authorizing cities of the first class to provide for special
5 tax provisions relating to real property taxes for certain
6 persons who meet the established standards and qualifications
7 for age and poverty," further providing for construction, for
8 declaration of policy and for special tax provisions.

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

11 Section 1. Sections 1, 2 and 4 of the act of July 2, 1996
12 (P.L.529, No.91), entitled "An act implementing the provisions
13 of section 2(b)(ii) of Article VIII of the Constitution of
14 Pennsylvania by authorizing cities of the first class to provide
15 for special tax provisions relating to real property taxes for
16 certain persons who meet the established standards and
17 qualifications for age and poverty," are amended to read:

18 Section 1. Construction.

19 This act shall be construed to [authorize] require the
20 governing bodies of cities of the first class to provide by

1 ordinance for the implementation of the special tax provisions
2 contained in this act which allow for the refund or forgiveness
3 of real property tax liability of certain low-income, disabled,
4 infirm or senior citizens attributable to real property tax rate
5 increases and increases in the assessed value of the low-income
6 senior citizen's homestead, thereby implementing section
7 2(b)(ii) of Article VIII of the Constitution of Pennsylvania.
8 Section 2. Declaration of policy.

9 (1) In recognition of the powers contained in section
10 2(b)(ii) of Article VIII of the Constitution of Pennsylvania
11 which provides therein for the establishing as a class or
12 classes of subjects of taxation the property or privileges of
13 persons who, because of poverty, disability, infirmity or
14 age, are determined to be in need of special tax provisions,
15 it is the legislative intent and purpose of this act to
16 implement the powers under such constitutional provision by
17 establishing special tax provisions for a class of persons
18 within cities of the first class as provided in this act.

19 (2) Having determined that there are persons within
20 cities of the first class of this Commonwealth whose incomes
21 are such that the governing bodies of cities of the first
22 class may decide that the imposition of the full amount of
23 real estate taxes on these persons deprives them and their
24 dependents of the bare necessities of life and having further
25 determined that poverty is a relative concept inextricably
26 joined with actual income, the number of persons dependent
27 upon such income and the unlikelihood of a taxpayer being
28 able by reason of age to increase that income, it is deemed
29 to be a matter of public policy to provide special tax
30 provisions for that class of persons designated in this act

1 within cities of the first class to enable governing bodies
2 of cities of the first class to by ordinance relieve their
3 economic burden.

4 Section 4. Special tax provisions; refund or forgiveness of
5 real estate taxes.

6 (a) General rule.--Any taxpayer within a city of the first
7 class who meets the standards and qualifications established by
8 this act shall be deemed a separate class of subjects of
9 taxation, and, as such, each governing body of a city of the
10 first class [may] shall by ordinance provide that such taxpayers
11 shall be entitled to the benefit of the special tax provisions
12 of this act.

13 (b) Refund or forgiveness of real estate taxes.--Pursuant to
14 the provisions of such ordinance, eligible taxpayers shall be
15 entitled to a refund or forgiveness which have been paid over to
16 or would, except for the provisions of this act, be payable to
17 cities of the first class and school districts of the first
18 class for real estate taxes authorized or imposed for city and
19 school district purposes in accordance with the following
20 provisions:

21 (1) Low-income senior citizens taxpayers shall be
22 entitled to receive refunds or forgiveness of that part of
23 their real estate tax liability attributable to any real
24 estate tax rate increase or an increase in the assessed value
25 of the taxpayer's homestead occurring after the effective
26 date of any ordinance implementing this act.

27 (2) In the event that a taxpayer who had previously been
28 eligible to receive refunds or forgiveness of taxes as
29 authorized by this act is no longer eligible by reason of
30 failing to meet the low-income requirement provided under

1 this act, the taxpayer shall be billed and shall pay real
2 estate taxes at the then current real estate tax rate and
3 assessed value. If for subsequent tax years a taxpayer
4 reestablishes eligibility for refunds or forgiveness of real
5 estate taxes by again meeting the low-income requirements
6 provided under this act, the amount of real estate taxes that
7 the taxpayer is eligible to have refunded or forgiven is that
8 part of their real estate tax liability attributable to any
9 real estate tax rate increase or an increase in the assessed
10 value of the taxpayer's homestead occurring no earlier than
11 the calendar year prior to the tax year for which the
12 taxpayer reestablishes eligibility.

13 (3) The maximum amount of real estate taxes which may be
14 refunded or forgiven may be [limited] established by
15 ordinance.

16 (4) If a homestead is owned for only a portion of a year
17 or is owned in part by a person who is not a low-income
18 taxpayer, the tax collector shall apportion the real estate
19 taxes in accordance with the period or portion of ownership
20 of the eligible taxpayer in determining the amount of refund
21 or forgiveness for which a taxpayer is eligible.

22 Section 2. This act shall take effect in 60 days.