

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2210 Session of  
2008

INTRODUCED BY RAMALEY, DePASQUALE, McCALL, GIBBONS, GOODMAN,  
BELFANTI, BENNINGTON, BRENNAN, CAPPELLI, CASORIO, DALEY,  
EACHUS, FABRIZIO, GEORGE, GERGELY, GRUCELA, HANNA, HARHAI,  
HARKINS, JOSEPHS, KING, KORTZ, KOTIK, KULA, LEACH, LONGIETTI,  
MARKOSEK, MARSHALL, MELIO, PALLONE, PASHINSKI, PRESTON,  
READSHAW, SCAVELLO, SIPTROTH, McILVAINE SMITH, SOLOBAY,  
STABACK, STURLA, TANGRETTI, THOMAS, WALKO, WOJNAROSKI,  
BIANCUCCI, CARROLL, WANSACZ AND J. WHITE, FEBRUARY 1, 2008

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 1, 2008

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,  
2 as amended, "An act relating to the finances of the State  
3 government; providing for the settlement, assessment,  
4 collection, and lien of taxes, bonus, and all other accounts  
5 due the Commonwealth, the collection and recovery of fees and  
6 other money or property due or belonging to the Commonwealth,  
7 or any agency thereof, including escheated property and the  
8 proceeds of its sale, the custody and disbursement or other  
9 disposition of funds and securities belonging to or in the  
10 possession of the Commonwealth, and the settlement of claims  
11 against the Commonwealth, the resettlement of accounts and  
12 appeals to the courts, refunds of moneys erroneously paid to  
13 the Commonwealth, auditing the accounts of the Commonwealth  
14 and all agencies thereof, of all public officers collecting  
15 moneys payable to the Commonwealth, or any agency thereof,  
16 and all receipts of appropriations from the Commonwealth,  
17 authorizing the Commonwealth to issue tax anticipation notes  
18 to defray current expenses, implementing the provisions of  
19 section 7(a) of Article VIII of the Constitution of  
20 Pennsylvania authorizing and restricting the incurring of  
21 certain debt and imposing penalties; affecting every  
22 department, board, commission, and officer of the State  
23 government, every political subdivision of the State, and  
24 certain officers of such subdivisions, every person,  
25 association, and corporation required to pay, assess, or  
26 collect taxes, or to make returns or reports under the laws  
27 imposing taxes for State purposes, or to pay license fees or  
28 other moneys to the Commonwealth, or any agency thereof,

every State depository and every debtor or creditor of the Commonwealth," establishing the Property Tax Fund.

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

Section 1. Article XVII-A of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, is amended by adding a subarticle to read:

SUBARTICLE G

PROPERTY TAX FUND

Section 1762-A. Property Tax Fund.

(a) Establishment.--The Property Tax Fund is established as a separate fund in the State Treasury.

(b) Intent.--It is hereby declared as the intent and goal of the General Assembly to create a property tax fund to provide property tax relief to resident-homeowners in this Commonwealth.

(c) Deposit.--For the fiscal year beginning July 1, 2008, and in any fiscal year thereafter in which the Secretary of the Budget certifies that there is a surplus in the General Fund, 50% of the surplus shall be deposited by the end of the next succeeding quarter into the Property Tax Fund.

(d) Additional amounts.--The General Assembly may at any time provide additional amounts from any funds available to the Commonwealth as an appropriation to the Property Tax Fund.

(e) Distribution.--Money from the Property Tax Fund shall be used to reduce property taxes in this Commonwealth. At such time as the Property Tax Fund exceeds \$100,000,000, the Secretary of the Budget shall distribute all of such funds to public school districts as follows:

(1) The Department of Education and the Department of Revenue, utilizing county tax records, shall determine the

number of resident-homeowner taxpayers in each school district.

(2) The Statewide aggregate total of resident-homeowner taxpayers shall be divided into the dollar amount available pursuant to this subsection.

(3) The result from paragraph (2) shall be multiplied by the number of resident-homeowner taxpayers in the school district to determine the amount of the payment to the school district.

(4) The Secretary of the Budget shall certify the amount due to each school district by certified mail and provide an affidavit, which shall be signed by the President of the District Board of Directors, agreeing that the funds received pursuant to this subsection shall be used to reduce the property taxes of resident-homeowners during the next immediate taxing cycle.

(f) Mailing.--The school district shall mail with each tax bill, a letter:

(1) Explaining the reduction in property taxes.

(2) Stating that the reduction is for that tax year only and that the rate of taxing in the school district has not been reduced and that the reduction seen in the tax bill is due to a transfer of funds from the Commonwealth's Property Tax Fund.

(3) Stating that future reductions will be made only when the Property Tax Fund exceeds \$100,000,000 and that it may be more than one year for this threshold to be met.

(g) Construction.--Nothing in this section shall be construed to prohibit a school district from participating in the provisions of the act of June 27, 2006 (1st Sp.Sess.,

1 P.L.1873, No.1), known as the Taxpayer Relief Act.

2 (h) Definition.--As used in this section, "resident-  
3 homeowner taxpayer" shall mean the owner of a dwelling primarily  
4 used as the domicile of the owner and such dwelling meets the  
5 definition of "homestead" as defined in 53 Pa.C.S. § 8401  
6 (relating to definitions).

7 Section 2. This act shall take effect immediately.