
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 361 Session of
2007

INTRODUCED BY GREENLEAF, ARMSTRONG, O'PAKE, ORIE, MUSTO,
BOSCOLA, FONTANA, COSTA, KASUNIC, RAFFERTY, KITCHEN,
ERICKSON, WONDERLING, TARTAGLIONE, STACK, LOGAN AND WAUGH,
MARCH 12, 2007

REFERRED TO FINANCE, MARCH 12, 2007

AN ACT

1 Providing for an exemption from increases in school real
2 property taxes for eligible taxpayers because of their age
3 and income level and for the reimbursement of school
4 districts by the Commonwealth.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Senior
9 Citizens School Real Property Tax Freeze Act.

10 Section 2. Definitions.

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

14 "Base amount." The amount of school real property taxes owed
15 on a homestead in the base year.

16 "Base year." The tax year immediately preceding the tax year
17 during which an eligible taxpayer becomes 65 years of age. If
18 the taxpayer did not own the homestead during the tax year

1 immediately preceding the tax year during which the taxpayer
2 became 65 years of age, the base year shall be the first tax
3 year during which the eligible taxpayer owned the homestead and
4 was 65 years of age or older.

5 "Eligible taxpayer." A taxpayer who meets the requirements
6 of section 5.

7 "Homestead." Any real property that meets the requirements
8 of section 6.

9 "Household income." The term shall have the same meaning
10 given to it under section 1303 of the act of June 27, 2006 (1st
11 Sp.Sess., P.L. , No.1), known as the Taxpayers Relief Act.

12 "Increase in school real property taxes." An increase in the
13 school real property taxes above the base amount resulting from
14 a millage increase, a change in the assessment ratio or method
15 or by a revaluing of all properties.

16 Section 3. School real property tax exemption.

17 Pursuant to section 2(b) of Article VIII of the Constitution
18 of Pennsylvania, school districts shall grant an annual
19 exemption from increases in school real property taxes for
20 eligible taxpayers because of their age and income level. This
21 exemption shall apply only to school real property taxes on an
22 eligible taxpayer's homestead.

23 Section 4. Amount of exemption.

24 The annual school real property tax exemption granted under
25 this act shall equal the increase in school real property taxes
26 on the eligible taxpayer's homestead. The amount shall be
27 calculated by subtracting the amount of school real property
28 taxes on the homestead in the base year from the amount of
29 school real property taxes on the homestead in the tax year for
30 which a claim for an exemption is filed. The difference, if any,

1 shall be the amount of the exemption.

2 Section 5. Eligible taxpayer.

3 The real property tax exemption shall apply to each taxpayer
4 in a school district meeting the following requirements:

5 (1) The taxpayer is at least 65 years of age.

6 (2) The taxpayer has an annual household income not
7 exceeding \$40,000.

8 (3) The taxpayer is not delinquent in paying school real
9 property taxes on the homestead.

10 (4) The taxpayer has filed a claim for the exemption,
11 including all necessary and required information, on a
12 standard form. The school district shall make such forms
13 available upon request.

14 Section 6. Homestead.

15 The exemption from the tax upon real property authorized
16 under section 3 shall apply only to school real property taxes
17 on an eligible taxpayer's homestead. For purposes of this act,
18 an eligible taxpayer's homestead is real property which
19 qualifies as a homestead under the act of June 27, 2006 (1st
20 Sp.Sess., P.L. , No.1), known as the Taxpayers Relief Act,
21 except real property which is rented or leased to the eligible
22 taxpayer.

23 Section 7. Commonwealth reimbursement.

24 Pursuant to section 2(b) of Article VIII of the Constitution
25 of Pennsylvania, the Commonwealth of Pennsylvania shall
26 reimburse school districts for revenue losses occasioned by the
27 tax exemption provided by this act. The Department of Education
28 shall, upon submission by a school district of documentation as
29 the department may require, reimburse the school district for
30 the amount of revenue lost to the school district because of

1 this exemption. The reimbursement shall occur within 60 days of
2 submission of the documentation.

3 Section 8. Applicability.

4 This act shall apply to the tax year beginning July 1, 2007,
5 and each tax year thereafter.

6 Section 9. Effective date.

7 This act shall take effect immediately.