

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL****No. 406** Session of  
2015

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INTRODUCED BY COX, BAKER, BENNINGHOFF, BOBACK, BRADFORD,  
V. BROWN, BROWNLIE, COHEN, D. COSTA, DAVIDSON, DEAN, DeLUCA,  
FREEMAN, GABLER, GILLEN, GINGRICH, GOODMAN, HAHN, HARHART,  
A. HARRIS, HEFFLEY, PHILLIPS-HILL, KAUFFMAN, KORTZ,  
LONGIETTI, MALONEY, MATZIE, MCGINNIS, MILLARD, D. MILLER,  
MILNE, MULLERY, MURT, O'BRIEN, D. PARKER, PASHINSKI,  
RAVENSTAHL, READSHAW, SAINATO, SAMUELSON, SCHLOSSBERG,  
SCHWEYER AND YOUNGBLOOD, JUNE 10, 2015

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AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,  
AS AMENDED, OCTOBER 20, 2015

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## AN ACT

1 Amending the act of June 27, 2006 (1st Sp.Sess., P.L.1873,  
2 No.1), entitled "An act providing for taxation by school  
3 districts, for the State funds formula, for tax relief in  
4 first class cities, for school district choice and voter  
5 participation, for other school district options and for a  
6 task force on school cost reduction; making an appropriation;  
7 prohibiting prior authorized taxation; providing for  
8 installment payment of taxes; restricting the power of  
9 certain school districts to levy, assess and collect taxes;  
10 and making related repeals," in senior citizens property tax  
11 and rent rebate assistance, further providing for definitions  
12 and for filing of claim.

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

15 Section 1. The definition of "income" in section 1303 of the  
16 act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as  
17 the Taxpayer Relief Act, amended October 22, 2014 (P.L.2555,  
18 No.156), is amended to read:

19 Section 1303. Definitions.

1 The following words and phrases when used in this chapter  
2 shall have the meanings given to them in this section unless the  
3 context clearly indicates otherwise:

4 \* \* \*

5 "Income." All income from whatever source derived,  
6 including, but not limited to:

7 (1) Salaries, wages, bonuses, commissions, income from  
8 self-employment, alimony, support money, cash public  
9 assistance and relief.

10 (2) The gross amount of any pensions or annuities,  
11 including railroad retirement benefits for calendar years  
12 prior to 1999 and 50% of railroad retirement benefits for  
13 calendar years 1999 and thereafter.

14 (3) (i) All benefits received under the Social Security  
15 Act (49 Stat. 620, 42 U.S.C. § 301 et seq.), except Medicare  
16 benefits, for calendar years prior to 1999, and 50% of all  
17 benefits received under the Social Security Act, except  
18 Medicare benefits, for calendar years 1999 and thereafter.

19 (ii) Notwithstanding any other provision of this act  
20 to the contrary, persons who, as of December 31, 2012,  
21 are eligible for the property tax or rent rebate shall  
22 remain eligible if the household income limit is exceeded  
23 due solely to a Social Security cost-of-living  
24 adjustment.

25 (iii) Eligibility in the property tax and rent  
26 rebate program pursuant to subparagraph (ii) shall expire  
27 on December 31, 2016.

28 (4) All benefits received under State unemployment  
29 insurance laws and veterans' disability payments.

30 (5) All interest received from the Federal or any state

1 government or any instrumentality or political subdivision  
2 thereof.

3 (6) Realized capital gains and rentals.

4 (7) Workers' compensation.

5 (8) The gross amount of loss of time insurance benefits,  
6 life insurance benefits and proceeds, except the first  
7 [\$5,000] \$10,000 of the total of death benefit payments.

8 (9) Gifts of cash or property, other than transfers by  
9 gift between members of a household, in excess of a total  
10 value of \$300.

11 The term does not include surplus food or other relief in kind  
12 supplied by a governmental agency, property tax or rent rebate  
13 or inflation dividend.

14 \* \* \*

15 Section 2. Section 1305(a) and (b) of the act are amended  
16 and the section is amended by adding a subsection to read:  
17 Section 1305. Filing of claim.

18 (a) General rule.--[Except as otherwise provided in  
19 subsection (b), a] A claim for property tax or rent rebate shall  
20 be filed with the department on or before the [30th day of June]  
21 31st day of December of the year next succeeding the end of the  
22 calendar year in which real property taxes or rent was due and  
23 payable.

24 (b) Exception.--[A claim filed after the June 30 deadline  
25 until December 31 of such calendar year shall be accepted by the  
26 secretary as long as funds are available to pay the benefits to  
27 the late filing claimant.] A claim shall be accepted by the  
28 secretary as long as funds are available to pay the benefits to  
29 the claimant.

30 \* \* \*

1 (e) Eligibility of estate.--In the case where an individual <--  
2 has died prior to applying for the property tax or rent rebate,  
3 the application may be submitted by an executor or administrator  
4 if the individual would have been eligible for a property tax or  
5 rent rebate on the date of the individual's death.

6 (1) IN THE CASE WHERE AN INDIVIDUAL HAS DIED PRIOR TO <--  
7 THE EXPIRATION OF THE CLAIM YEAR FOR THE PROPERTY TAX OR RENT  
8 REBATE, A REBATE SHALL BE PAID TO A PROXY FOR OR SURVIVING  
9 SPOUSE OR ESTATE OF AN OTHERWISE QUALIFIED CLAIMANT IF  
10 PROPERTY TAX OR RENT WAS PAID BY THE DECEDENT PRIOR TO DEATH.  
11 THE AMOUNT OF PROPERTY TAX OR RENT PAID SHALL BE PRORATED  
12 BASED UPON THE NUMBER OF DAYS THAT THE DECEDENT OCCUPIED THE  
13 HOMESTEAD DURING THE CLAIM YEAR. THE INCOME ATTRIBUTED TO THE  
14 DECEDENT SHALL BE ANNUALIZED AS IF THE DECEDENT LIVED FOR THE  
15 FULL CLAIM YEAR. IN NO CASE SHALL A REBATE BE PAID TO A PROXY  
16 FOR OR SURVIVING SPOUSE OR ESTATE OF A DECEDENT WHO HAS NOT  
17 LIVED DURING ANY DAY OF THE CLAIM YEAR.

18 (2) AN EXECUTOR OR ADMINISTRATOR OF THE DECEDENT'S  
19 ESTATE OR A PROXY FOR OR SURVIVING SPOUSE OF THE DECEDENT MAY  
20 SUBMIT THE CLAIM FOR PROPERTY TAX OR RENT REBATE. IN ORDER  
21 FOR A PROXY TO RECEIVE A PROPERTY TAX OR RENT REBATE A PROXY  
22 OF THE DECEDENT MUST SUBMIT THE DEATH CERTIFICATE OF THE  
23 DECEDENT AND AN AFFIDAVIT AVERRING THAT THE AFFIANT IS THE  
24 PROXY OF THE DECEDENT, THAT NO ESTATE WAS OPENED FOR THE  
25 DECEDENT AND THAT THE PROXY PAID THE DECEDENT'S FUNERAL  
26 EXPENSES.

27 Section 3. This act shall take effect in 60 days.