

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 504 Session of 2015

INTRODUCED BY GABLER, BAKER, BENNINGHOFF, CALTAGIRONE, CAUSER, CUTLER, EVERETT, GIBBONS, GROVE, A. HARRIS, IRVIN, F. KELLER, M. K. KELLER, MAJOR, METCALFE, METZGAR, MILLARD, OBERLANDER, PEIFER, PICKETT, SANKEY, SAYLOR, SONNEY AND WARNER, FEBRUARY 17, 2015

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, MAY 12, 2015

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," in tax for education, further providing for sales
11 and use tax for timbering; ESTABLISHING THE SCHOOL DISTRICT <--
12 MILLAGE RATE REDUCTION FUND AND THE SCHOOL DISTRICT HOMESTEAD
13 AND FARMSTEAD RELIEF FUND; PROVIDING FOR ADDITIONAL TAXATION
14 AND FOR SENIOR CITIZENS PROPERTY TAX AND RENT REBATE
15 ASSISTANCE; AND REPEALING PROVISIONS OF THE TAXPAYER RELIEF
16 ACT.

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

19 ~~Section 1. Section 201(k) (8) and (o) (4) (B) of the act of <--~~
20 ~~March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of~~
21 ~~1971, amended April 23, 1998 (P.L.239, No.45), are amended to~~
22 ~~read:~~

23 SECTION 1. THE TITLE OF THE ACT OF MARCH 4, 1971 (P.L.6, <--

1 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, IS AMENDED TO READ:

2 AN ACT

3 RELATING TO TAX REFORM AND STATE TAXATION BY CODIFYING AND

4 ENUMERATING CERTAIN SUBJECTS OF TAXATION AND IMPOSING TAXES

5 THEREON; PROVIDING PROCEDURES FOR THE PAYMENT, COLLECTION,

6 ADMINISTRATION AND ENFORCEMENT THEREOF; PROVIDING FOR

7 PROPERTY TAX RELIEF AND FOR TAX CREDITS IN CERTAIN CASES;

8 CONFERRING POWERS AND IMPOSING DUTIES UPON THE DEPARTMENT OF

9 REVENUE, CERTAIN EMPLOYERS, FIDUCIARIES, INDIVIDUALS,

10 PERSONS, CORPORATIONS AND OTHER ENTITIES; PRESCRIBING CRIMES,

11 OFFENSES AND PENALTIES.

12 SECTION 2. SECTION 201(K) (8) AND (O) (4) (B) OF THE ACT,

13 AMENDED APRIL 23, 1998 (P.L.239, NO.45), ARE AMENDED TO READ:

14 Section 201. Definitions.--The following words, terms and

15 phrases when used in this Article II shall have the meaning

16 ascribed to them in this section, except where the context

17 clearly indicates a different meaning:

18 * * *

19 (k) "Sale at retail."

20 * * *

21 (8) Any retention of possession, custody or a license to use

22 or consume tangible personal property or any further obtaining

23 of services described in subclauses (2), (3) and (4) of this

24 clause pursuant to a rental or service contract or other

25 arrangement (other than as security).

26 The term "sale at retail" shall not include (i) any such

27 transfer of tangible personal property or rendition of services

28 for the purpose of resale, or (ii) such rendition of services or

29 the transfer of tangible personal property including, but not

30 limited to, machinery and equipment and parts therefor and

1 supplies to be used or consumed by the purchaser directly in the
2 operations of--

3 (A) The manufacture of tangible personal property.

4 (B) Farming, dairying, agriculture, timbering, horticulture
5 or floriculture when engaged in as a business enterprise. The
6 term "farming" shall include the propagation and raising of
7 ranch raised fur-bearing animals and the propagation of game
8 birds for commercial purposes by holders of propagation permits
9 issued under 34 Pa.C.S. (relating to game) and the propagation
10 and raising of horses to be used exclusively for commercial
11 racing activities. The term "timbering" shall include:

12 (1) The business of producing or harvesting trees from
13 forests, woodlots or tree farms for the purpose of the
14 commercial production of wood, paper or energy products derived
15 from wood.

16 (2) All operations prior to the transport of the harvested
17 product necessary for the removal of timber or forest products
18 from the site, in-field processing of trees into logs or chips,
19 complying with environmental protection and safety requirements
20 applicable to the harvest of forest products, creating access to
21 the harvest site, loading of forest products onto highway
22 vehicles for transport to storage or processing facilities and
23 postharvest site reclamation, including those activities
24 necessary to improve timber growth or ensure natural or direct
25 reforestation of the site.

26 (C) The producing, delivering or rendering of a public
27 utility service, or in constructing, reconstructing, remodeling,
28 repairing or maintaining the facilities which are directly used
29 in producing, delivering or rendering such service.

30 (D) Processing as defined in clause (d) of this section.

1 The exclusions provided in paragraphs (A), (B), (C) and (D)
2 shall not apply to any vehicle required to be registered under
3 The Vehicle Code, except those vehicles used directly by a
4 public utility engaged in business as a common carrier; to
5 maintenance facilities; or to materials, supplies or equipment
6 to be used or consumed in the construction, reconstruction,
7 remodeling, repair or maintenance of real estate other than
8 directly used machinery, equipment, parts or foundations
9 therefor that may be affixed to such real estate.

10 The exclusions provided in paragraphs (A), (B), (C) and (D)
11 shall not apply to tangible personal property or services to be
12 used or consumed in managerial sales or other nonoperational
13 activities, nor to the purchase or use of tangible personal
14 property or services by any person other than the person
15 directly using the same in the operations described in
16 paragraphs (A), (B), (C) and (D) herein.

17 The exclusion provided in paragraph (C) shall not apply to
18 (i) construction materials, supplies or equipment used to
19 construct, reconstruct, remodel, repair or maintain facilities
20 not used directly by the purchaser in the production, delivering
21 or rendition of public utility service, (ii) construction
22 materials, supplies or equipment used to construct, reconstruct,
23 remodel, repair or maintain a building, road or similar
24 structure, or (iii) tools and equipment used but not installed
25 in the maintenance of facilities used directly in the
26 production, delivering or rendition of a public utility service.

27 The exclusions provided in paragraphs (A), (B), (C) and (D)
28 shall not apply to the services enumerated in clauses (k)(11)
29 through (18) and (w) through (kk), except that the exclusion
30 provided in this subclause for farming, dairying and agriculture

1 shall apply to the service enumerated in clause (z).

2 * * *

3 (o) "Use."

4 * * *

5 (4) The obtaining by a purchaser of the service of
6 repairing, altering, mending, pressing, fitting, dyeing,
7 laundering, drycleaning or cleaning tangible personal property
8 other than wearing apparel or shoes or applying or installing
9 tangible personal property as a repair or replacement part of
10 other tangible personal property other than wearing apparel or
11 shoes, whether or not the services are performed directly or by
12 any means other than by means of coin-operated self-service
13 laundry equipment for wearing apparel or household goods, and
14 whether or not any tangible personal property is transferred to
15 the purchaser in conjunction therewith, except such services as
16 are obtained in the construction, reconstruction, remodeling,
17 repair or maintenance of real estate: Provided, however, That
18 this subclause shall not be deemed to impose tax upon such
19 services in the preparation for sale of new items which are
20 excluded from the tax under clause (26) of section 204, or upon
21 diaper service: And provided further, That the term "use" shall
22 not include--

23 * * *

24 (B) The use or consumption of tangible personal property,
25 including but not limited to machinery and equipment and parts
26 therefor, and supplies or the obtaining of the services
27 described in subclauses (2), (3) and (4) of this clause directly
28 in the operations of--

29 (i) The manufacture of tangible personal property.

30 (ii) Farming, dairying, agriculture, timbering, horticulture

1 or floriculture when engaged in as a business enterprise. The
2 term "farming" shall include the propagation and raising of
3 ranch-raised furbearing animals and the propagation of game
4 birds for commercial purposes by holders of propagation permits
5 issued under 34 Pa.C.S. (relating to game) and the propagation
6 and raising of horses to be used exclusively for commercial
7 racing activities. The term "timbering" shall include:

8 (1) The business of producing or harvesting trees from
9 forests, woodlots or tree farms for the purpose of the
10 commercial production of wood, paper or energy products derived
11 from wood.

12 (2) All operations prior to the transport of the harvested
13 product necessary for the removal of timber or forest products
14 from the site, in-field processing of trees into logs or chips,
15 complying with environmental protection and safety requirements
16 applicable to the harvest of forest products, creating access to
17 the harvest site, loading of forest products onto highway
18 vehicles for transport to storage or processing facilities and
19 postharvest site reclamation, including those activities
20 necessary to improve timber growth or ensure natural or direct
21 reforestation of the site.

22 (iii) The producing, delivering or rendering of a public
23 utility service, or in constructing, reconstructing, remodeling,
24 repairing or maintaining the facilities which are directly used
25 in producing, delivering or rendering such service.

26 (iv) Processing as defined in subclause (d) of this section.

27 The exclusions provided in subparagraphs (i), (ii), (iii) and
28 (iv) shall not apply to any vehicle required to be registered
29 under The Vehicle Code except those vehicles directly used by a
30 public utility engaged in the business as a common carrier; to

1 maintenance facilities; or to materials, supplies or equipment
2 to be used or consumed in the construction, reconstruction,
3 remodeling, repair or maintenance of real estate other than
4 directly used machinery, equipment, parts or foundations
5 therefor that may be affixed to such real estate. The exclusions
6 provided in subparagraphs (i), (ii), (iii) and (iv) shall not
7 apply to tangible personal property or services to be used or
8 consumed in managerial sales or other nonoperational activities,
9 nor to the purchase or use of tangible personal property or
10 services by any person other than the person directly using the
11 same in the operations described in subparagraphs (i), (ii),
12 (iii) and (iv).

13 The exclusion provided in subparagraph (iii) shall not apply
14 to (A) construction materials, supplies or equipment used to
15 construct, reconstruct, remodel, repair or maintain facilities
16 not used directly by the purchaser in the production, delivering
17 or rendition of public utility service or (B) tools and
18 equipment used but not installed in the maintenance of
19 facilities used directly in the production, delivering or
20 rendition of a public utility service.

21 The exclusion provided in subparagraphs (i), (ii), (iii) and
22 (iv) shall not apply to the services enumerated in clauses (o)
23 (9) through (16) and (w) through (kk), except that the exclusion
24 provided in subparagraph (ii) for farming, dairying and
25 agriculture shall apply to the service enumerated in clause (z).

26 * * *

27 SECTION 3. THE ACT IS AMENDED BY ADDING ARTICLES TO READ: <--

28 ARTICLE XVI

29 SCHOOL PROPERTY TAX REFORM

30 PART I

1 PRELIMINARY PROVISIONS

2 SECTION 1601. SHORT TITLE OF ARTICLE.

3 THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE SCHOOL
4 PROPERTY TAX REFORM ACT.

5 SECTION 1602. DEFINITIONS.

6 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
7 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
8 CONTEXT CLEARLY INDICATES OTHERWISE:

9 "AVERAGE DAILY MEMBERSHIP." THE TERM AS DEFINED IN SECTION
10 2501 OF THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), KNOWN AS THE
11 PUBLIC SCHOOL CODE OF 1949.

12 "BOARD OF SCHOOL DIRECTORS." THE TERM INCLUDES THE
13 FOLLOWING:

14 (1) A BOARD OF SCHOOL DIRECTORS OF A SCHOOL DISTRICT OF
15 THE FIRST CLASS A, SECOND CLASS, THIRD CLASS OR FOURTH CLASS.

16 (2) A CITY COUNCIL OF A CITY OF THE FIRST CLASS.

17 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

18 "EQUALIZED MILLAGE." THE TERM AS DEFINED IN SECTION
19 2501(9.2) OF THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), KNOWN AS
20 THE PUBLIC SCHOOL CODE OF 1949.

21 "FARMSTEAD." AS DEFINED IN 53 PA.C.S. § 8582 (RELATING TO
22 DEFINITIONS).

23 "FARMSTEAD PROPERTY." THE TERM AS DEFINED IN 53 PA.C.S. §
24 8582 (RELATING TO DEFINITIONS).

25 "HOMESTEAD." THE TERM DEFINED IN 53 PA.C.S. § 8401 (RELATING
26 TO DEFINITIONS).

27 "HOMESTEAD PROPERTY." THE TERM AS DEFINED IN 53 PA.C.S. §
28 8401 (RELATING TO DEFINITIONS).

29 "INDEX." THE TERM DEFINED IN SECTION 302 OF THE TAXPAYER
30 RELIEF ACT.

1 "REAL PROPERTY TAX." THE TOTAL DOLLAR VALUE OF REAL PROPERTY
2 TAXES PAID BY PROPERTY OWNERS IN A SCHOOL DISTRICT DETERMINED BY
3 ADDING THE REAL PROPERTY TAXES COLLECTED BY, OR ON BEHALF OF,
4 THE SCHOOL DISTRICT PLUS STATE MILLAGE RATE REDUCTION
5 ALLOCATIONS, STATE HOMESTEAD AND FARMSTEAD EXCLUSION ALLOCATIONS
6 AND STATE PROPERTY TAX REDUCTION ALLOCATIONS. THE TERM DOES NOT
7 INCLUDE AN ALLOCATION UNDER SECTION 505(D) OF THE TAXPAYER
8 RELIEF ACT.

9 "RESIDENTIAL PROPERTY TAX." THE DOLLAR VALUE OF REAL
10 PROPERTY TAXES PAID BY RESIDENTIAL PROPERTY OWNERS IN A SCHOOL
11 DISTRICT, DETERMINED BY MULTIPLYING THE REAL PROPERTY TAXES
12 COLLECTED BY THE SCHOOL DISTRICT TIMES THE PERCENTAGE OF THE
13 TOTAL PROPERTY VALUE IN THE SCHOOL DISTRICT CLASSIFIED AS
14 RESIDENTIAL BY THE STATE TAX EQUALIZATION BOARD FOR THE CALENDAR
15 YEAR IN WHICH THE TAX YEAR BEGAN.

16 "SCHOOL DISTRICT." A SCHOOL DISTRICT OF THE FIRST CLASS,
17 FIRST CLASS A, SECOND CLASS, THIRD CLASS OR FOURTH CLASS.

18 "SCHOOL DISTRICT HOMESTEAD AND FARMSTEAD RELIEF FUND." THE
19 FUND ESTABLISHED IN SECTION 1604.

20 "SCHOOL DISTRICT MILLAGE RATE REDUCTION FUND." THE FUND
21 ESTABLISHED IN SECTION 1603.

22 "SECRETARY." THE SECRETARY OF THE BUDGET OF THE
23 COMMONWEALTH.

24 "STATE HOMESTEAD AND FARMSTEAD EXCLUSION ALLOCATION." THE
25 ALLOCATION UNDER SECTION 1643.

26 "STATE MILLAGE RATE REDUCTION ALLOCATION." THE ALLOCATION
27 UNDER SECTION 1632.

28 "STATE PROPERTY TAX REDUCTION ALLOCATION." A PAYMENT MADE
29 UNDER SECTION 505 OF THE TAXPAYER RELIEF ACT.

30 "STATE TREASURER." THE STATE TREASURER OF THE COMMONWEALTH.

1 "TAXPAYER RELIEF ACT." THE ACT OF JUNE 27, 2006 (1ST
2 SP.SESS., P.L.1873, NO.1), KNOWN AS THE TAXPAYER RELIEF ACT.
3 SECTION 1603. SCHOOL DISTRICT MILLAGE RATE REDUCTION FUND.

4 (A) ESTABLISHMENT.--THE SCHOOL DISTRICT MILLAGE RATE
5 REDUCTION FUND IS ESTABLISHED AS A SPECIAL FUND IN THE STATE
6 TREASURY. THE FUND SHALL NOT LAPSE.

7 (B) PURPOSE.--MONEY IN THE FUND SHALL BE DISTRIBUTED TO
8 SCHOOL DISTRICTS UNDER SECTION 1632 AND SHALL BE USED
9 EXCLUSIVELY FOR THE PURPOSES ENUMERATED IN THIS ARTICLE.

10 (C) DEPOSITS INTO THE FUND.--FUNDS GENERATED BY THE TAX
11 UNDER SECTION 1611 SHALL BE DEPOSITED INTO THE FUND.

12 (D) TRANSFER FROM THE FUND.--

13 (1) IN ORDER TO ENSURE THAT THE GENERAL FUND IS NOT
14 NEGATIVELY IMPACTED BY THE IMPOSITION OF THE TAX UNDER
15 SECTION 1611, NOT LATER THAN JUNE 30, 2017, AND EACH JUNE 30
16 THEREAFTER, AN AMOUNT EQUAL TO THE REFUND REIMBURSEMENT
17 FACTOR MULTIPLIED BY THE AMOUNT OF REFUNDS ISSUED UNDER
18 ARTICLE III FOR TAX YEARS IN WHICH THE TAX IMPOSED UNDER
19 SECTION 1611 IS APPLICABLE SHALL BE TRANSFERRED FROM THE FUND
20 TO THE GENERAL FUND.

21 (2) FOR THE PURPOSE OF THIS SUBSECTION, "REFUND
22 REIMBURSEMENT FACTOR" MEANS A FRACTION EQUAL TO THE RATE OF
23 TAX IMPOSED UNDER SECTION 1611 DIVIDED BY THE SUM OF THE RATE
24 OF TAX IMPOSED UNDER SECTION 1611 PLUS THE RATE OF TAX
25 IMPOSED UNDER ARTICLE III.

26 SECTION 1604. SCHOOL DISTRICT HOMESTEAD AND FARMSTEAD RELIEF
27 FUND.

28 (A) ESTABLISHMENT.--THE SCHOOL DISTRICT HOMESTEAD AND
29 FARMSTEAD RELIEF FUND IS ESTABLISHED AS A SPECIAL FUND IN THE
30 STATE TREASURY. THE FUND SHALL NOT LAPSE.

1 (B) PURPOSE.--EXCEPT AS PROVIDED UNDER SECTION 2908-G(C),
2 MONEY IN THE FUND SHALL BE DISTRIBUTED TO SCHOOL DISTRICTS UNDER
3 SECTION 1643 AND SHALL BE USED EXCLUSIVELY FOR THE PURPOSES
4 ENUMERATED IN THIS ARTICLE.

5 (C) DEPOSITS.--FUNDS GENERATED BY THE TAX UNDER SECTION 1612
6 SHALL BE DEPOSITED INTO THE FUND.

7 (D) TRANSFERS.--UPON AUTHORIZATION BY THE SECRETARY IN ORDER
8 TO COMPLY WITH SECTION 1622(A)(3), THE STATE TREASURER SHALL
9 TRANSFER FROM THE FUND TO THE SCHOOL DISTRICT MILLAGE RATE
10 REDUCTION FUND AN AMOUNT SUFFICIENT TO ENSURE THAT THE TOTAL
11 AMOUNT OF REVENUE IN THE SCHOOL DISTRICT MILLAGE RATE REDUCTION
12 FUND FOR A FISCAL YEAR IS NOT LESS THAN THE AMOUNT DISTRIBUTED
13 FROM THE PREVIOUS FISCAL YEAR.

14 PART II

15 SCHOOL PROPERTY TAX REDUCTIONS

16 FROM STATEWIDE SOURCES

17 SECTION 1611. ADDITIONAL PERSONAL INCOME TAX IMPOSED.

18 (A) PERSONAL INCOME TAX.--FOR TAXABLE YEARS BEGINNING AFTER
19 DECEMBER 31, 2015, THERE IS IMPOSED AN ADDITIONAL TAX UPON EACH
20 CLASS OF INCOME AS DEFINED IN ARTICLE III. THE TAX SHALL BE
21 CALCULATED, COLLECTED AND PAID OVER TO THE COMMONWEALTH IN THE
22 SAME MANNER AS PROVIDED IN ARTICLE III.

23 (B) RATE.--THE TAX IMPOSED BY SUBSECTION (A) SHALL BE AT THE
24 RATE OF 0.63%.

25 (C) DEPOSIT OF TAX PROCEEDS.--THE DEPARTMENT SHALL DEPOSIT
26 TAXES COLLECTED UNDER THIS SECTION IN THE SCHOOL DISTRICT
27 MILLAGE RATE REDUCTION FUND. THE AMOUNT SHALL BE THE SUM OF THE
28 TAXES COLLECTED UNDER THIS SECTION AND ARTICLE III MULTIPLIED BY
29 A FRACTION EQUAL TO THE RATE OF TAX UNDER THIS SECTION DIVIDED
30 BY THE SUM OF THE RATE OF TAX UNDER THIS SECTION AND THE RATE OF

1 TAX UNDER SECTION 302.

2 (D) RULES AND REGULATIONS.--THE RULES AND REGULATIONS OF THE
3 DEPARTMENT PROMULGATED UNDER THIS ACT OR ANY OTHER ACT, SHALL BE
4 APPLICABLE TO THE TAX IMPOSED BY THIS SECTION TO THE EXTENT THAT
5 THEY ARE APPLICABLE TO THE TAX IMPOSED UNDER ARTICLE III.

6 (E) CONSTRUCTION.--THE TAX IMPOSED BY THIS SECTION SHALL BE
7 IN ADDITION TO ANY TAX IMPOSED UNDER ARTICLE III OR SECTION
8 321(C) OF THE TAXPAYER RELIEF ACT. THE PROVISIONS OF ARTICLE III
9 SHALL APPLY TO THE TAX IMPOSED BY THIS SECTION.

10 SECTION 1612. ADDITIONAL SALES AND USE TAX IMPOSED.

11 (A) ADDITIONAL TAXATION.--THE TAX IMPOSED BY THIS SECTION
12 SHALL BE IN ADDITION TO ANY TAX IMPOSED UNDER ARTICLE II OR II-
13 B, SECTION 503 OF THE ACT OF JUNE 5, 1991 (P.L.9, NO.6), KNOWN
14 AS THE PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY ACT
15 FOR CITIES OF THE FIRST CLASS, OR SECTION 3152-B OF THE ACT OF
16 JULY 28, 1953 (P.L.73, NO.230), KNOWN AS THE SECOND CLASS COUNTY
17 CODE. THE PROVISIONS OF ARTICLE II SHALL APPLY TO THE TAX
18 IMPOSED BY THIS SECTION.

19 (B) SALES TAX.--BEGINNING JANUARY 1, 2016, THERE IS IMPOSED
20 A TAX UPON EACH SEPARATE SALE AT RETAIL OF TANGIBLE PERSONAL
21 PROPERTY OR SERVICES. THE TAX UNDER THIS SUBSECTION SHALL BE
22 IMPOSED UPON THE PURCHASE PRICE. THE TAX SHALL BE COLLECTED BY
23 THE VENDOR FROM THE PURCHASER AND SHALL BE PAID OVER TO THE
24 COMMONWEALTH IN THE SAME MANNER AS PROVIDED IN ARTICLE II.

25 (C) USE TAX.--BEGINNING JANUARY 1, 2016, THERE IS IMPOSED A
26 TAX UPON THE USE OF TANGIBLE PERSONAL PROPERTY PURCHASED AT
27 RETAIL AND ON SERVICES PURCHASED AT RETAIL. THE TAX UNDER THIS
28 SUBSECTION SHALL BE IMPOSED UPON THE PURCHASE PRICE. THE TAX
29 SHALL BE PAID OVER TO THE COMMONWEALTH BY THE PERSON WHO MAKES
30 SUCH USE. THE TAX IMPOSED UNDER THIS SUBSECTION SHALL NOT BE

1 PAID OVER TO THE COMMONWEALTH BY ANY PERSON WHO HAS PAID THE TAX
2 IMPOSED UNDER SUBSECTION (B) OR HAS PAID THE TAX IMPOSED UNDER
3 THIS SUBSECTION TO THE VENDOR WITH RESPECT TO SUCH USE.

4 (D) HOTEL TAX.--BEGINNING JANUARY 1, 2016, THERE IS HEREBY
5 IMPOSED AN EXCISE TAX ON THE RENT UPON EVERY OCCUPANCY OF A ROOM
6 OR ROOMS IN A HOTEL, AS DEFINED IN ARTICLE II. THE TAX SHALL BE
7 COLLECTED BY THE OPERATOR OR OWNER FROM THE OCCUPANT AND PAID
8 OVER TO THE COMMONWEALTH.

9 (E) RATE.--THE TAX IMPOSED BY SUBSECTIONS (B), (C) AND (D)
10 SHALL BE AT A RATE OF 1%.

11 (F) TAX COMPUTATION.--THE TAX IMPOSED UNDER SUBSECTIONS (B),
12 (C) AND (D) SHALL BE COMPUTED AS FOLLOWS:

13 (1) IF THE PURCHASE PRICE IS 50¢ OR LESS, NO TAX SHALL
14 BE COLLECTED.

15 (2) IF THE PURCHASE PRICE IS 51¢ OR MORE BUT LESS THAN
16 \$1.51, 1¢ SHALL BE COLLECTED.

17 (3) IF THE PURCHASE PRICE IS \$1.51 OR MORE BUT LESS THAN
18 \$2.51, 2¢ SHALL BE COLLECTED.

19 (4) IF THE PURCHASE PRICE IS \$2.51 OR MORE BUT LESS THAN
20 \$3.51, 3¢ SHALL BE COLLECTED.

21 (5) IF THE PURCHASE PRICE IS \$3.51 OR MORE BUT LESS THAN
22 \$4.51, 4¢ SHALL BE COLLECTED.

23 (6) IF THE PURCHASE PRICE IS \$4.51 OR MORE BUT LESS THAN
24 \$5.51, 5¢ SHALL BE COLLECTED.

25 (7) IF THE PURCHASE PRICE IS \$5.51 OR MORE BUT LESS THAN
26 \$6.51, 6¢ SHALL BE COLLECTED.

27 (8) IF THE PURCHASE PRICE IS \$6.51 OR MORE BUT LESS THAN
28 \$7.51, 7¢ SHALL BE COLLECTED.

29 (9) IF THE PURCHASE PRICE IS \$7.51 OR MORE BUT LESS THAN
30 \$8.51, 8¢ SHALL BE COLLECTED.

1 (10) IF THE PURCHASE PRICE IS \$8.51 OR MORE BUT LESS
2 THAN \$9.51, 9¢ SHALL BE COLLECTED.

3 (11) IF THE PURCHASE PRICE IS \$9.51 OR MORE BUT LESS
4 THAN \$10.01, 10¢ SHALL BE COLLECTED.

5 (12) IF THE PURCHASE PRICE IS MORE THAN \$10, 1% OF EACH
6 \$10 PURCHASE PRICE PLUS THE ABOVE BRACKET CHARGES UPON ANY
7 FRACTIONAL PART OF A \$10 INCREMENT SHALL BE COLLECTED.

8 (G) DEPOSIT OF TAX PROCEEDS.--THE DEPARTMENT SHALL DEPOSIT
9 TAXES COLLECTED UNDER THIS SECTION IN THE SCHOOL DISTRICT
10 HOMESTEAD AND FARMSTEAD RELIEF FUND. THE AMOUNT SHALL BE ONE-
11 SEVENTH OF THE SUM OF THE AMOUNT COLLECTED UNDER THIS SECTION
12 AND ARTICLE II. THE TAX COLLECTED UNDER THIS SECTION SHALL BE
13 SUBJECT TO THE TRANSFERS UNDER SECTION 281.2 AND 74 PA.C.S. §
14 1506(C)(1) AND (3.4) IN THE SAME WAY AS THE TAX IMPOSED UNDER
15 ARTICLE II.

16 (H) RULES AND REGULATIONS.--THE RULES AND REGULATIONS OF THE
17 DEPARTMENT WHICH ARE PROMULGATED UNDER THIS ACT OR ANY OTHER
18 ACT, SHALL BE APPLICABLE TO THE TAX IMPOSED BY THIS SECTION TO
19 THE EXTENT THAT THEY ARE APPLICABLE TO THE TAX IMPOSED UNDER
20 ARTICLE II.

21 (I) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
22 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
23 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

24 "PURCHASE PRICE." AS DEFINED IN ARTICLE II.

25 "SALE AT RETAIL." AS DEFINED IN ARTICLE II.

26 "TANGIBLE PERSONAL PROPERTY." AS DEFINED IN ARTICLE II.

27 PART III

28 STATE FUNDS FORMULAE

29 SUBPART A

30 PRELIMINARY PROVISIONS

1 SECTION 1621. SCOPE OF PART.

2 THIS PART RELATES TO THE ALLOCATION OF STATE FUNDS FOR THE
3 DOLLAR-FOR-DOLLAR REDUCTION OF SCHOOL DISTRICT PROPERTY TAXES
4 THROUGH MILLAGE RATE REDUCTIONS AND FUNDING HOMESTEAD PROPERTY
5 EXCLUSIONS.

6 SECTION 1622. CERTIFICATIONS.

7 (A) SECRETARY CERTIFICATIONS.--

8 (1) NOT LATER THAN APRIL 15, 2016, AND APRIL 15 OF EACH
9 YEAR THEREAFTER, THE SECRETARY SHALL CERTIFY ALL OF THE
10 FOLLOWING:

11 (I) THE TOTAL AMOUNT OF REVENUE IN THE SCHOOL
12 DISTRICT MILLAGE RATE REDUCTION FUND AND THE SCHOOL
13 DISTRICT HOMESTEAD AND FARMSTEAD RELIEF FUND. IN
14 CALCULATING THE TOTAL AMOUNT OF REVENUE IN EACH OF THE
15 FUNDS, THE SECRETARY SHALL TAKE INTO ACCOUNT ALL OF THE
16 FOLLOWING:

17 (A) FOR THE CERTIFICATION TO BE COMPLETED NOT
18 LATER THAN APRIL 15, 2016, REVENUE WHICH:

19 (I) HAS BEEN DEPOSITED INTO THE FUND PRIOR
20 TO THE DATE OF THE CERTIFICATION; AND

21 (II) IS REASONABLY PROJECTED TO BE DEPOSITED
22 INTO THE FUND DURING THE SIX MONTHS FOLLOWING THE
23 DATE ON WHICH THE CERTIFICATION IS MADE; AND

24 (B) FOR CERTIFICATIONS IN SUBSEQUENT FISCAL
25 YEARS:

26 (I) REVENUE WHICH HAS BEEN DEPOSITED INTO
27 THE FUND DURING THE SIX MONTHS PRIOR TO THE DATE
28 ON WHICH THE CERTIFICATION IS MADE; AND

29 (II) REVENUE ENUMERATED IN CLAUSE (A) (II).

30 (II) IN CERTIFYING THE AMOUNT AVAILABLE FOR

1 DISTRIBUTION FROM EACH FUND UNDER SUBSECTION (C), THE
2 SECRETARY SHALL ONLY CERTIFY AN AMOUNT THAT IS
3 SUSTAINABLE IN SUBSEQUENT YEARS.

4 (2) IF THE ACTUAL REVENUE DEPOSITED INTO EACH OF THE
5 FUNDS DURING THE SIX MONTHS FOLLOWING THE DATE ON WHICH THE
6 CERTIFICATION IS MADE EXCEEDS PROJECTIONS, ANY REVENUE IN
7 EXCESS OF PROJECTIONS SHALL REMAIN IN THAT FUND AND MAY BE
8 INCLUDED IN THE CERTIFICATION FOR THE SUBSEQUENT FISCAL YEAR.

9 (3) THE SECRETARY MAY NOT CERTIFY AN AMOUNT OF REVENUE
10 IN THE SCHOOL DISTRICT MILLAGE RATE REDUCTION FUND WHICH IS
11 LESS THAN THE DOLLAR AMOUNT CERTIFIED IN THE PREVIOUS FISCAL
12 YEAR.

13 (B) NOTIFICATION OF DEPARTMENT OF EDUCATION.--BY APRIL 20,
14 2016, AND APRIL 20 EACH YEAR THEREAFTER, THE SECRETARY SHALL
15 NOTIFY THE DEPARTMENT OF EDUCATION WHETHER IT IS AUTHORIZED TO
16 PROVIDE SCHOOL DISTRICTS WITH STATE MILLAGE RATE REDUCTION
17 ALLOCATIONS AND STATE HOMESTEAD AND FARMSTEAD EXCLUSION
18 ALLOCATIONS UNDER SUBPARTS B AND C.

19 (C) DISTRIBUTION.--

20 (1) FOR FISCAL YEAR 2016-2017 AND FOR EACH FISCAL YEAR
21 THEREAFTER, THE SECRETARY SHALL AUTHORIZE THE DEPARTMENT OF
22 EDUCATION TO DISTRIBUTE FROM THE SCHOOL DISTRICT MILLAGE RATE
23 REDUCTION FUND THE AMOUNT CERTIFIED FOR THE FUND UNDER
24 SUBSECTION (A) (1).

25 (2) FOR FISCAL YEAR 2016-2017 AND FOR EACH FISCAL YEAR
26 THEREAFTER, THE SECRETARY SHALL AUTHORIZE THE DEPARTMENT OF
27 EDUCATION TO DISTRIBUTE FROM THE SCHOOL DISTRICT HOMESTEAD
28 AND FARMSTEAD RELIEF FUND THE DIFFERENCE BETWEEN THE AMOUNT
29 CERTIFIED FOR THE FUND UNDER SUBSECTION (A) (1) AND THE SUM OF
30 ALL OF THE FOLLOWING:

1 (I) THE AMOUNT SUFFICIENT TO FUND ADDITIONAL
2 REIMBURSEMENTS TO ELIGIBLE SCHOOL DISTRICTS UNDER SECTION
3 1642; AND

4 (II) THE AMOUNT UNDER 2908-G(C).
5 THE AMOUNT DEDUCTED UNDER THIS SUBSECTION FOR ADDITIONAL
6 REIMBURSEMENTS UNDER SECTION 1642 SHALL BE CALCULATED BASED ON
7 THE INFORMATION PROVIDED BY SCHOOL DISTRICTS UNDER SECTION
8 503(B) (2) OF THE TAXPAYER RELIEF ACT.
9 SECTION 1623. DISCLOSURE OF RELIEF.

10 (A) TAX NOTICE.--A SCHOOL DISTRICT WHICH RECEIVES A STATE
11 PROPERTY TAX REDUCTION ALLOCATION, A STATE HOMESTEAD AND
12 FARMSTEAD EXCLUSION ALLOCATION OR A STATE MILLAGE RATE REDUCTION
13 ALLOCATION SHALL ITEMIZE THE TOTAL HOMESTEAD AND FARMSTEAD
14 EXCLUSION AND MILLAGE RATE REDUCTIONS ON TAX BILLS SENT TO
15 TAXPAYERS. AT MINIMUM, A TAX BILL MUST SHOW THE TAX LIABILITY
16 WHICH WAS DUE FOR THE PROPERTY IN THE PREVIOUS TAX YEAR, THE
17 AMOUNT OF THE APPLICABLE EXCLUSION AND THE AMOUNT OF REDUCED TAX
18 LIABILITY DUE TO RATE REDUCTIONS. THE TAX BILL SHALL BE EASILY
19 UNDERSTANDABLE AND INCLUDE A NOTICE UNDER SUBSECTION (B).

20 (B) NOTICE OF PROPERTY TAX RELIEF.--

21 (1) FOR A TAXPAYER WHO IS A HOMESTEAD PROPERTY OR
22 FARMSTEAD PROPERTY OWNER, THE TAX BILL MUST INCLUDE A NOTICE
23 THAT THE TAX BILL INCLUDES A HOMESTEAD OR FARMSTEAD EXCLUSION
24 AND A MILLAGE RATE REDUCTION. THE NOTICE SHALL, AT A MINIMUM,
25 BE IN THE FOLLOWING FORM:

26 NOTICE OF PROPERTY TAX RELIEF

27 YOUR ENCLOSED TAX BILL INCLUDES A TAX REDUCTION FOR YOUR
28 HOMESTEAD AND/OR FARMSTEAD PROPERTY. AS AN ELIGIBLE
29 HOMESTEAD AND/OR FARMSTEAD PROPERTY OWNER, YOU HAVE
30 RECEIVED TAX RELIEF THROUGH A HOMESTEAD AND/OR FARMSTEAD

1 EXCLUSION WHICH HAS BEEN PROVIDED UNDER THE SCHOOL
2 PROPERTY TAX REFORM ACT AND THE TAXPAYER RELIEF ACT, TWO
3 LAWS PASSED BY THE PENNSYLVANIA GENERAL ASSEMBLY DESIGNED
4 TO REDUCE YOUR PROPERTY TAXES. YOUR TAX BILL ALSO
5 INCLUDES A REDUCTION IN THE TAX RATE ON REAL PROPERTY
6 PROVIDED THROUGH THE EDUCATION FINANCE REFORM ACT.

7 (2) FOR A TAXPAYER THAT IS NOT A HOMESTEAD PROPERTY OR
8 FARMSTEAD PROPERTY OWNER, THE TAX BILL MUST INCLUDE A NOTICE
9 THAT THE TAX BILL INCLUDES A MILLAGE RATE REDUCTION. THE
10 NOTICE SHALL, AT A MINIMUM, BE IN THE FOLLOWING FORM:

11 NOTICE OF PROPERTY TAX RELIEF

12 YOUR ENCLOSED TAX BILL INCLUDES A REDUCTION IN THE TAX
13 RATE ON REAL PROPERTY. THIS REDUCTION HAS BEEN PROVIDED
14 UNDER THE SCHOOL PROPERTY TAX REFORM ACT, A LAW PASSED BY
15 THE PENNSYLVANIA GENERAL ASSEMBLY DESIGNED TO REDUCE YOUR
16 PROPERTY TAXES.

17 SECTION 1624. INFORMATION COLLECTION AND VERIFICATION.

18 (A) INFORMATION COLLECTION.--THE DEPARTMENT OF EDUCATION
19 SHALL DEVELOP AN INFORMATION COLLECTION POLICY TO GATHER
20 INFORMATION WHICH WILL ALLOW THE DEPARTMENT TO CONFIRM THAT
21 STATE MILLAGE RATE REDUCTION ALLOCATIONS AND STATE HOMESTEAD AND
22 FARMSTEAD EXCLUSION ALLOCATIONS ARE BEING USED FOR THE PURPOSES
23 ENUMERATED IN THIS ARTICLE AND THAT STATE PROPERTY TAX REDUCTION
24 ALLOCATIONS ARE BEING USED FOR THE PURPOSES ENUMERATED IN THE
25 TAXPAYER RELIEF ACT. THE INFORMATION COLLECTION POLICY MAY
26 INCLUDE REQUIRING A SCHOOL DISTRICT TO PROVIDE INFORMATION IN
27 THE UNIFORM FORM PREPARED UNDER SECTION 312(B) OF THE TAXPAYER
28 RELIEF ACT THAT WOULD ALLOW THE DEPARTMENT OF EDUCATION TO
29 COMPLY WITH THE REQUIREMENTS OF THIS SECTION.

30 (B) VERIFICATION.--THE DEPARTMENT OF EDUCATION SHALL DEVELOP

1 PROCEDURES TO ROUTINELY ANALYZE THE INFORMATION COLLECTED UNDER
2 SUBSECTION (A) TO IDENTIFY A SCHOOL DISTRICT WHICH IS NOT USING
3 A STATE MILLAGE RATE REDUCTION ALLOCATION OR STATE HOMESTEAD AND
4 FARMSTEAD EXCLUSION ALLOCATION FOR THE PURPOSES ENUMERATED IN
5 THIS ARTICLE OR IS USING A STATE PROPERTY TAX REDUCTION
6 ALLOCATION FOR THE PURPOSES ENUMERATED IN THE TAXPAYER RELIEF
7 ACT.

8 SUBPART B

9 STATE ALLOCATION DISTRIBUTION

10 FOR MILLAGE RATE REDUCTIONS

11 SECTION 1631. SCOPE OF SUBPART.

12 THIS SUBPART RELATES TO THE ALLOCATION OF STATE FUNDS
13 GENERATED BY THE ADDITIONAL TAX UNDER SECTION 1611 FOR THE
14 DOLLAR-FOR-DOLLAR REDUCTION OF SCHOOL DISTRICT PROPERTY TAXES
15 THROUGH MILLAGE RATE REDUCTIONS.

16 SECTION 1632. STATE MILLAGE RATE REDUCTION ALLOCATION.

17 (A) ADMINISTRATION.--THE DEPARTMENT OF EDUCATION SHALL
18 CALCULATE THE STATE MILLAGE RATE REDUCTION ALLOCATION FOR EACH
19 SCHOOL DISTRICT AS FOLLOWS:

20 (1) FOR THE 2016-2017 FISCAL YEAR ALL OF THE FOLLOWING
21 APPLY:

22 (I) MULTIPLY THE SCHOOL DISTRICT'S 2012-2013
23 EQUALIZED MILLAGE BY THE DOLLAR AMOUNT NECESSARY TO
24 ALLOCATE ALL THE MONEY IN THE SCHOOL DISTRICT MILLAGE
25 RATE REDUCTION FUND AS AUTHORIZED UNDER SECTION 1622(C).

26 (II) IF THE ALLOCATION UNDER THIS PARAGRAPH IS LESS
27 THAN THE PRODUCT OF THE REAL PROPERTY TAXES COLLECTED
28 DURING THE 2012-2013 FISCAL YEAR AND A NUMERICAL VALUE OF
29 0.12 FOR A SCHOOL DISTRICT, THE SCHOOL DISTRICT SHALL
30 RECEIVE AN ADDITIONAL AMOUNT SO THAT THE TOTAL ALLOCATION

1 UNDER THIS PARAGRAPH IS EQUAL TO THE PRODUCT OF THE REAL
2 PROPERTY TAXES COLLECTED DURING THE 2012-2013 FISCAL YEAR
3 AND A NUMERICAL VALUE OF 0.12.

4 (III) IF THE ALLOCATION UNDER THIS PARAGRAPH IS
5 GREATER THAN THE PRODUCT OF THE REAL PROPERTY TAXES
6 COLLECTED DURING THE 2012-2013 FISCAL YEAR AND A
7 NUMERICAL VALUE OF 0.19 FOR A SCHOOL DISTRICT, THE SCHOOL
8 DISTRICT SHALL RECEIVE A TOTAL ALLOCATION EQUAL TO THE
9 PRODUCT OF THE REAL PROPERTY TAXES COLLECTED DURING THE
10 2012-2013 FISCAL YEAR AND A NUMERICAL VALUE OF 0.19.

11 (2) FOR THE 2017-2018 FISCAL YEAR ALL OF THE FOLLOWING
12 APPLY:

13 (I) MULTIPLY THE SCHOOL DISTRICT'S EQUALIZED MILLAGE
14 FOR THE 2013-2014 FISCAL YEAR BY THE DOLLAR AMOUNT
15 NECESSARY TO ALLOCATE ALL THE MONEY IN THE SCHOOL
16 DISTRICT MILLAGE RATE REDUCTION FUND AS AUTHORIZED UNDER
17 SECTION 1622(C).

18 (II) IF THE ALLOCATION UNDER THIS PARAGRAPH IS LESS
19 THAN THE PRODUCT OF THE REAL PROPERTY TAXES COLLECTED
20 DURING THE 2013-2014 FISCAL YEAR AND A NUMERICAL VALUE OF
21 0.2 FOR A SCHOOL DISTRICT, THE SCHOOL DISTRICT SHALL
22 RECEIVE AN ADDITIONAL AMOUNT SO THAT THE TOTAL ALLOCATION
23 UNDER THIS PARAGRAPH IS EQUAL TO THE PRODUCT OF THE REAL
24 PROPERTY TAXES COLLECTED DURING THE 2013-2014 FISCAL YEAR
25 AND A NUMERICAL VALUE OF 0.2.

26 (III) IF THE ALLOCATION UNDER THIS PARAGRAPH IS
27 GREATER THAN THE PRODUCT OF THE REAL PROPERTY TAXES
28 COLLECTED DURING THE 2013-2014 FISCAL YEAR AND A
29 NUMERICAL VALUE OF 0.3 FOR A SCHOOL DISTRICT, THE SCHOOL
30 DISTRICT SHALL RECEIVE A TOTAL ALLOCATION EQUAL TO THE

1 PRODUCT OF THE REAL PROPERTY TAXES COLLECTED DURING THE
2 2013-2014 FISCAL YEAR AND A NUMERICAL VALUE OF 0.3.

3 (3) FOR ALL FISCAL YEARS BEGINNING AFTER THE 2017-2018
4 FISCAL YEAR:

5 (I) MULTIPLY THE ALLOCATION FROM THE PREVIOUS FISCAL
6 YEAR BY THE PERCENTAGE CHANGE IN THE AMOUNT TO BE
7 COLLECTED FROM THE TAX UNDER SECTION 1611, EXCEPT THAT
8 THE PERCENTAGE CHANGE UNDER THIS PARAGRAPH MAY NOT BE
9 LESS THAN ZERO.

10 (II) ADD THE AMOUNT IN SUBPARAGRAPH (I) TO THE
11 ALLOCATION FROM THE PREVIOUS FISCAL YEAR.

12 (B) NOTIFICATION.--THE DEPARTMENT OF EDUCATION SHALL NOTIFY
13 EACH SCHOOL DISTRICT OF THE AMOUNT OF ITS STATE MILLAGE RATE
14 REDUCTION ALLOCATION NOT LATER THAN MAY 1 OF EACH YEAR.

15 (C) PAYMENT.--FOR THE FISCAL YEAR COMMENCING JULY 1, 2016,
16 AND EACH FISCAL YEAR THEREAFTER, EXCEPT AS SET FORTH IN
17 SUBSECTION (D), THE DEPARTMENT OF EDUCATION SHALL PAY FROM THE
18 SCHOOL DISTRICT MILLAGE RATE REDUCTION FUND TO EACH ELIGIBLE
19 SCHOOL DISTRICT A STATE MILLAGE RATE REDUCTION ALLOCATION EQUAL
20 TO THE AMOUNT CALCULATED UNDER SUBSECTION (A). THE STATE MILLAGE
21 RATE ALLOCATION SHALL BE DIVIDED INTO TWO EQUAL PAYMENTS, WHICH
22 SHALL BE MADE ON THE FOURTH THURSDAY OF AUGUST AND THE FOURTH
23 THURSDAY OF OCTOBER.

24 (D) FIRST CLASS SCHOOL DISTRICTS.--THE STATE MILLAGE RATE
25 REDUCTION ALLOCATION FOR A SCHOOL DISTRICT OF THE FIRST CLASS
26 SHALL BE PAID BY THE DEPARTMENT OF EDUCATION TO A CITY OF THE
27 FIRST CLASS FOR USE FOR A SCHOOL DISTRICT OF THE FIRST CLASS AS
28 PRESCRIBED IN SECTION 1633.

29 SECTION 1633. MANDATORY USE OF STATE MILLAGE RATE REDUCTION
30 ALLOCATION TO REDUCE RATE OF REAL PROPERTY TAX.

1 (A) REDUCTION IN FIRST FISCAL YEAR.--FOR THE FIRST FISCAL
2 YEAR IN WHICH A SCHOOL DISTRICT RECEIVES A STATE MILLAGE RATE
3 REDUCTION ALLOCATION AND EXCEPT FOR A TAX INCREASE WHICH IS
4 APPROVED BY THE ELECTORATE UNDER SECTION 333(C) OF THE TAXPAYER
5 RELIEF ACT, A BOARD OF SCHOOL DIRECTORS MAY NOT ADOPT A FINAL
6 BUDGET, INCLUDING A FINAL BUDGET UNDER SECTION 312 OF THE
7 TAXPAYER RELIEF ACT, WHICH INCLUDES A TAX ON REAL PROPERTY WHICH
8 WOULD GENERATE REVENUE GREATER THAN:

9 (1) THE SUM OF THE MAXIMUM AMOUNT OF REVENUE WHICH COULD
10 BE RAISED BY THE ALLOWABLE INCREASE UNDER THE INDEX AND THE
11 AMOUNT PERMITTED UNDER THE REFERENDUM EXCEPTIONS IN SECTION
12 333(F) OR (N) OF THE TAXPAYER RELIEF ACT, MINUS;

13 (2) THE SCHOOL DISTRICT'S STATE MILLAGE RATE REDUCTION
14 ALLOCATION.

15 (B) SUBSEQUENT REDUCTIONS AND LIMITATIONS.--FOR THE SECOND
16 FISCAL YEAR IN WHICH A SCHOOL DISTRICT RECEIVES A STATE MILLAGE
17 RATE REDUCTION ALLOCATION AND FOR ALL FISCAL YEARS IN WHICH A
18 SCHOOL DISTRICT RECEIVES A STATE MILLAGE RATE REDUCTION
19 ALLOCATION THEREAFTER AND EXCEPT FOR A TAX INCREASE WHICH IS
20 APPROVED BY THE ELECTORATE UNDER SECTION 333(C) OF THE TAXPAYER
21 RELIEF ACT, A BOARD OF SCHOOL DIRECTORS MAY NOT ADOPT A FINAL
22 BUDGET, INCLUDING A FINAL BUDGET UNDER SECTION 312 OF THE
23 TAXPAYER RELIEF ACT, WHICH INCLUDES A TAX ON REAL PROPERTY WHICH
24 WOULD GENERATE REVENUE GREATER THAN:

25 (1) THE SUM OF THE MAXIMUM AMOUNT OF REVENUE WHICH COULD
26 BE RAISED BY THE ALLOWABLE INCREASE UNDER THE INDEX AND THE
27 AMOUNT PERMITTED UNDER THE REFERENDUM EXCEPTIONS IN SECTION
28 333(F) OR (N) OF THE TAXPAYER RELIEF ACT, MINUS;

29 (2) THE INCREASE IN THE SCHOOL DISTRICT'S STATE MILLAGE
30 RATE REDUCTION ALLOCATION FROM THE PREVIOUS FISCAL YEAR.

1 (C) CONTINUED APPLICABILITY.--A TAX RATE WHICH IS REDUCED OR
2 OTHERWISE SUBJECT TO THIS SECTION SHALL REMAIN SUBJECT TO THE
3 PROVISIONS OF SECTION 333 OF THE TAXPAYER RELIEF ACT.

4 (D) APPLICABLE TAX RATE FOR FIRST CLASS SCHOOL DISTRICT.--
5 THIS SECTION AND SECTION 333, EXCEPT SECTION 333(B)(2), OF THE
6 TAXPAYER RELIEF ACT SHALL APPLY TO A TAX ON REAL PROPERTY LEVIED
7 BY A CITY OF THE FIRST CLASS FOR THE BENEFIT OF A SCHOOL
8 DISTRICT OF THE FIRST CLASS.

9 SUBPART C

10 STATE ALLOCATION DISTRIBUTION TO FUND
11 FOR HOMESTEAD AND FARMSTEAD EXCLUSIONS

12 SECTION 1641. SCOPE OF SUBPART.

13 THIS SUBPART RELATES TO THE ALLOCATION OF STATE FUNDS
14 GENERATED BY THE ADDITIONAL TAX UNDER SECTION 1612 FOR THE
15 DOLLAR-FOR-DOLLAR REDUCTION OF SCHOOL DISTRICT PROPERTY TAXES
16 THROUGH THE FUNDING OF HOMESTEAD AND FARMSTEAD EXCLUSIONS.
17 SECTION 1642. ADDITIONAL REIMBURSEMENT.

18 A SCHOOL DISTRICT SHALL RECEIVE A PAYMENT EQUAL TO THE
19 AGGREGATE AMOUNT OF THE TAX CREDITED UNDER SECTION 324(2) OF THE
20 TAXPAYER RELIEF ACT MINUS ITS REIMBURSEMENT UNDER SECTION 324(4)
21 OF THE TAXPAYER RELIEF ACT.

22 SECTION 1643. STATE HOMESTEAD AND FARMSTEAD EXCLUSION
23 ALLOCATION.

24 (A) ADMINISTRATION.--THE DEPARTMENT OF EDUCATION SHALL
25 CALCULATE THE STATE HOMESTEAD AND FARMSTEAD EXCLUSION ALLOCATION
26 FOR EACH SCHOOL DISTRICT, EXCEPT THE PORTION WHICH IS CALCULATED
27 UNDER SECTION 1642, AS FOLLOWS:

28 (1) FOR THE 2016-2017 FISCAL YEAR ALL OF THE FOLLOWING
29 APPLY:

30 (I) MULTIPLY THE SCHOOL DISTRICT'S 2012-2013 AVERAGE

1 DAILY MEMBERSHIP BY THE SCHOOL DISTRICT'S 2012-2013
2 EQUALIZED MILLAGE.

3 (II) MULTIPLY THE PRODUCT UNDER SUBPARAGRAPH (I) BY
4 THE DOLLAR AMOUNT NECESSARY TO ALLOCATE ALL THE MONEY IN
5 THE SCHOOL DISTRICT HOMESTEAD AND FARMSTEAD RELIEF FUND
6 AS AUTHORIZED UNDER SECTION 1622 (C).

7 (III) IF THE ALLOCATION UNDER THIS PARAGRAPH IS LESS
8 THAN THE PRODUCT OF THE RESIDENTIAL PROPERTY TAXES
9 COLLECTED DURING THE 2012-2013 FISCAL YEAR AND A
10 NUMERICAL VALUE OF 0.1 FOR A SCHOOL DISTRICT, THE SCHOOL
11 DISTRICT SHALL RECEIVE AN ADDITIONAL AMOUNT SO THAT THE
12 TOTAL ALLOCATION UNDER THIS PARAGRAPH IS EQUAL TO THE
13 PRODUCT OF THE RESIDENTIAL PROPERTY TAXES COLLECTED
14 DURING THE 2012-2013 FISCAL YEAR AND A NUMERICAL VALUE OF
15 0.1.

16 (IV) IF THE ALLOCATION UNDER THIS PARAGRAPH IS
17 GREATER THAN THE PRODUCT OF THE RESIDENTIAL PROPERTY
18 TAXES COLLECTED DURING THE 2012-2013 FISCAL YEAR AND A
19 NUMERICAL VALUE OF 0.16 FOR A SCHOOL DISTRICT, THE SCHOOL
20 DISTRICT SHALL RECEIVE A TOTAL ALLOCATION EQUAL TO THE
21 PRODUCT OF THE RESIDENTIAL PROPERTY TAXES COLLECTED
22 DURING THE 2012-2013 FISCAL YEAR AND A NUMERICAL VALUE OF
23 0.16.

24 (2) FOR ALL FISCAL YEARS BEGINNING AFTER THE 2016-2017
25 FISCAL YEAR ALL OF THE FOLLOWING APPLY:

26 (I) MULTIPLY THE SCHOOL DISTRICT'S AVERAGE DAILY
27 MEMBERSHIP FOR THE FOURTH FISCAL YEAR IMMEDIATELY
28 PRECEDING THE FISCAL YEAR FOR WHICH THE ALLOCATION IS
29 BEING MADE BY THE SCHOOL DISTRICT'S EQUALIZED MILLAGE FOR
30 THE FOURTH FISCAL YEAR IMMEDIATELY PRECEDING THE FISCAL

1 YEAR FOR WHICH THE ALLOCATION IS BEING MADE.

2 (II) MULTIPLY THE PRODUCT UNDER SUBPARAGRAPH (I) BY
3 THE DOLLAR AMOUNT NECESSARY TO ALLOCATE ALL THE MONEY IN
4 THE SCHOOL DISTRICT HOMESTEAD AND FARMSTEAD RELIEF FUND
5 AS AUTHORIZED UNDER SECTION 1622(C).

6 (III) IF THE ALLOCATION UNDER THIS PARAGRAPH IS LESS
7 THAN THE PRODUCT OF THE RESIDENTIAL PROPERTY TAXES
8 COLLECTED DURING THE FOURTH FISCAL YEAR IMMEDIATELY
9 PRECEDING THE FISCAL YEAR FOR WHICH THE ALLOCATION IS
10 BEING MADE AND A NUMERICAL VALUE OF 0.14 FOR A SCHOOL
11 DISTRICT, THE SCHOOL DISTRICT SHALL RECEIVE AN ADDITIONAL
12 AMOUNT SO THAT THE TOTAL ALLOCATION UNDER THIS PARAGRAPH
13 IS EQUAL TO THE PRODUCT OF THE RESIDENTIAL PROPERTY TAXES
14 COLLECTED DURING THE FOURTH FISCAL YEAR IMMEDIATELY
15 PRECEDING THE FISCAL YEAR FOR WHICH THE ALLOCATION IS
16 BEING MADE AND A NUMERICAL VALUE OF 0.14.

17 (IV) IF THE ALLOCATION UNDER THIS PARAGRAPH IS
18 GREATER THAN THE PRODUCT OF THE RESIDENTIAL PROPERTY
19 TAXES COLLECTED DURING THE FOURTH FISCAL YEAR IMMEDIATELY
20 PRECEDING THE FISCAL YEAR FOR WHICH THE ALLOCATION IS
21 BEING MADE AND A NUMERICAL VALUE OF 0.23 FOR A SCHOOL
22 DISTRICT, THE SCHOOL DISTRICT SHALL RECEIVE A TOTAL
23 ALLOCATION EQUAL TO THE PRODUCT OF THE RESIDENTIAL
24 PROPERTY TAXES COLLECTED DURING THE FOURTH FISCAL YEAR
25 IMMEDIATELY PRECEDING THE FISCAL YEAR FOR WHICH THE
26 ALLOCATION IS BEING MADE AND A NUMERICAL VALUE OF 0.23.

27 (B) NOTIFICATION.--THE DEPARTMENT OF EDUCATION SHALL NOTIFY
28 EACH SCHOOL DISTRICT OF THE AMOUNT OF ITS STATE HOMESTEAD AND
29 FARMSTEAD EXCLUSION ALLOCATION NOT LATER THAN MAY 1 OF EACH
30 YEAR.

1 (C) PAYMENT.--FOR THE FISCAL YEAR COMMENCING JULY 1, 2016,
2 AND EACH FISCAL YEAR THEREAFTER, EXCEPT AS SET FORTH IN
3 SUBSECTION (D), THE DEPARTMENT OF EDUCATION SHALL PAY TO EACH
4 ELIGIBLE SCHOOL DISTRICT A STATE HOMESTEAD AND FARMSTEAD
5 EXCLUSION ALLOCATION EQUAL TO THE AMOUNT CALCULATED UNDER
6 SUBSECTION (A) PLUS THE PAYMENT AS CALCULATED UNDER SECTION
7 1642. THE STATE HOMESTEAD AND FARMSTEAD EXCLUSION ALLOCATION
8 SHALL BE DIVIDED INTO TWO EQUAL PAYMENTS, WHICH SHALL BE MADE ON
9 THE FOURTH THURSDAY OF AUGUST AND THE FOURTH THURSDAY OF
10 OCTOBER.

11 (D) FIRST CLASS SCHOOL DISTRICTS.--THE STATE HOMESTEAD AND
12 FARMSTEAD EXCLUSION ALLOCATION FOR A SCHOOL DISTRICT OF THE
13 FIRST CLASS SHALL BE PAID BY THE DEPARTMENT OF EDUCATION TO A
14 CITY OF THE FIRST CLASS FOR USE FOR A SCHOOL DISTRICT OF THE
15 FIRST CLASS AS PRESCRIBED IN SECTION 1644.
16 SECTION 1644. DISPOSITION OF STATE HOMESTEAD AND FARMSTEAD
17 EXCLUSION ALLOCATION.

18 (A) HOMESTEAD AND FARMSTEAD EXCLUSIONS.--A BOARD OF SCHOOL
19 DIRECTORS FOR A SCHOOL DISTRICT WHICH RECEIVES A STATE HOMESTEAD
20 AND FARMSTEAD EXCLUSION ALLOCATION SHALL USE THE ALLOCATION TO
21 FUND EXCLUSIONS FOR HOMESTEAD AND FARMSTEAD PROPERTY OR, IF
22 APPLICABLE, MAY UTILIZE ANY REVENUE IN EXCESS OF THE REVENUE
23 REQUIRED TO FUND THE MAXIMUM HOMESTEAD AND FARMSTEAD EXCLUSIONS
24 AUTHORIZED UNDER 53 PA.C.S. § 8586 (RELATING TO LIMITATIONS) TO
25 REDUCE THE PROPERTY TAX RATE ON ALL PROPERTIES SUBJECT TO THE
26 PROPERTY TAX IN THE SCHOOL DISTRICT.

27 (B) HOMESTEAD AND FARMSTEAD EXCLUSION PROCESS.--EACH FISCAL
28 YEAR IN WHICH A SCHOOL DISTRICT IMPOSES A TAX AUTHORIZED UNDER
29 SECTION 321 OF THE TAXPAYER RELIEF ACT OR RECEIVES A STATE
30 HOMESTEAD AND FARMSTEAD EXCLUSION ALLOCATION OR STATE PROPERTY

1 TAX REDUCTION ALLOCATION, THE BOARD OF SCHOOL DIRECTORS OF A
2 SCHOOL DISTRICT SHALL CALCULATE A HOMESTEAD AND FARMSTEAD
3 EXCLUSION FOR THE PURPOSE OF REDUCING SCHOOL DISTRICT PROPERTY
4 TAXES. THE SCHOOL DISTRICT SHALL ADOPT A RESOLUTION IMPLEMENTING
5 THE HOMESTEAD AND FARMSTEAD EXCLUSION NOT LATER THAN THE LAST
6 DAY OF THE FISCAL YEAR IMMEDIATELY PRECEDING THE FISCAL YEAR IN
7 WHICH THE HOMESTEAD AND FARMSTEAD EXCLUSIONS SHALL TAKE EFFECT.

8 PART IV

9 MISCELLANEOUS PROVISIONS

10 SECTION 1691. ADDITIONAL PROVISIONS.

11 (A) OTHER PROVISIONS.--ANY SCHOOL DISTRICT PROPERTY TAX
12 REDUCTION APPROVED UNDER SUBCHAPTER D OF CHAPTER 3 OF THE
13 TAXPAYER RELIEF ACT SHALL CONTINUE IN EFFECT.

14 (B) APPLICABILITY.--EXCEPT AS OTHERWISE PROVIDED, A SCHOOL
15 DISTRICT SHALL REMAIN SUBJECT TO THE TAXPAYER RELIEF ACT.

16 ARTICLE XXIX-G

17 SENIOR CITIZENS PROPERTY TAX AND

18 RENT REBATE ASSISTANCE

19 SECTION 2901-G. SCOPE OF ARTICLE.

20 THIS ARTICLE PROVIDES SENIOR CITIZENS WITH ASSISTANCE IN THE
21 FORM OF PROPERTY TAX AND RENT REBATES.

22 SECTION 2902-G. (RESERVED).

23 SECTION 2903-G. DEFINITIONS.

24 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
25 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
26 CONTEXT CLEARLY INDICATES OTHERWISE:

27 "BOARD." THE BOARD OF FINANCE AND REVENUE OF THE
28 COMMONWEALTH.

29 "CLAIMANT." A PERSON WHO FILES A CLAIM FOR PROPERTY TAX
30 REBATE OR RENT REBATE IN LIEU OF PROPERTY TAXES AND:

1 (1) WAS AT LEAST 65 YEARS OF AGE OR WHOSE SPOUSE, IF A
2 MEMBER OF THE HOUSEHOLD, WAS AT LEAST 65 YEARS OF AGE DURING
3 A CALENDAR YEAR IN WHICH REAL PROPERTY TAXES OR RENT WERE DUE
4 AND PAYABLE;

5 (2) WAS A WIDOW OR WIDOWER AND WAS AT LEAST 50 YEARS OF
6 AGE DURING A CALENDAR YEAR OR PART THEREOF IN WHICH REAL
7 PROPERTY TAXES OR RENT WERE DUE AND PAYABLE; OR

8 (3) WAS A PERMANENTLY DISABLED PERSON 18 YEARS OF AGE OR
9 OLDER DURING A CALENDAR YEAR OR PART THEREOF IN WHICH THE
10 REAL PROPERTY TAXES OR RENT WERE DUE AND PAYABLE.

11 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

12 "HOMESTEAD." A DWELLING, WHETHER OWNED OR RENTED, AND SO
13 MUCH OF THE LAND SURROUNDING IT, AS IS REASONABLY NECESSARY FOR
14 THE USE OF THE DWELLING AS A HOME, OCCUPIED BY A CLAIMANT. THE
15 TERM INCLUDES, BUT IS NOT LIMITED TO:

16 (1) PREMISES OCCUPIED BY REASON OF OWNERSHIP OR LEASE IN
17 A COOPERATIVE HOUSING CORPORATION.

18 (2) MOBILE HOMES WHICH ARE ASSESSED AS REALTY FOR LOCAL
19 PROPERTY TAX PURPOSES AND THE LAND, IF OWNED OR RENTED BY THE
20 CLAIMANT, UPON WHICH THE MOBILE HOME IS SITUATED, AND OTHER
21 SIMILAR LIVING ACCOMMODATIONS.

22 (3) A PART OF A MULTIDWELLING OR MULTIPURPOSE BUILDING
23 AND A PART OF THE LAND UPON WHICH IT IS BUILT.

24 (4) PREMISES OCCUPIED BY REASON OF THE CLAIMANT'S
25 OWNERSHIP OR RENTAL OF A DWELLING LOCATED ON LAND OWNED BY A
26 NONPROFIT INCORPORATED ASSOCIATION, OF WHICH THE CLAIMANT IS
27 A MEMBER, IF THE CLAIMANT IS REQUIRED TO PAY A PRO RATA SHARE
28 OF THE PROPERTY TAXES LEVIED AGAINST THE ASSOCIATION'S LAND.

29 (5) PREMISES OCCUPIED BY A CLAIMANT IF THE CLAIMANT IS
30 REQUIRED BY LAW TO PAY A PROPERTY TAX BY REASON OF THE

1 CLAIMANT'S OWNERSHIP OR RENTAL, INCLUDING A POSSESSORY
2 INTEREST, IN THE DWELLING, THE LAND OR BOTH. AN OWNER
3 INCLUDES A PERSON IN POSSESSION UNDER A CONTRACT OF SALE,
4 DEED OF TRUST, LIFE ESTATE, JOINT TENANCY OR TENANCY IN
5 COMMON OR BY REASON OF STATUTES OF DESCENT AND DISTRIBUTION.
6 "HOUSEHOLD INCOME." ALL INCOME RECEIVED BY A CLAIMANT AND
7 THE CLAIMANT'S SPOUSE WHILE RESIDING IN THE HOMESTEAD DURING THE
8 CALENDAR YEAR FOR WHICH A REBATE IS CLAIMED.

9 "INCOME." ALL INCOME FROM WHATEVER SOURCE DERIVED,
10 INCLUDING, BUT NOT LIMITED TO:

11 (1) SALARIES, WAGES, BONUSES, COMMISSIONS, INCOME FROM
12 SELF-EMPLOYMENT, ALIMONY, SUPPORT MONEY, CASH PUBLIC
13 ASSISTANCE AND RELIEF.

14 (2) THE GROSS AMOUNT OF ANY PENSIONS OR ANNUITIES,
15 INCLUDING RAILROAD RETIREMENT BENEFITS FOR CALENDAR YEARS
16 PRIOR TO 1999 AND 50% OF RAILROAD RETIREMENT BENEFITS FOR
17 CALENDAR YEARS 1999 AND THEREAFTER.

18 (3) (I) ALL BENEFITS RECEIVED UNDER THE SOCIAL SECURITY
19 ACT (49 STAT. 620, 42 U.S.C. § 301 ET SEQ.), EXCEPT
20 MEDICARE BENEFITS, FOR CALENDAR YEARS PRIOR TO 1999, AND
21 50% OF ALL BENEFITS RECEIVED UNDER THE SOCIAL SECURITY
22 ACT, EXCEPT MEDICARE BENEFITS, FOR CALENDAR YEARS 1999
23 AND THEREAFTER.

24 (II) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT
25 TO THE CONTRARY, PERSONS WHO, AS OF DECEMBER 31, 2012,
26 ARE ELIGIBLE FOR THE PROPERTY TAX OR RENT REBATE SHALL
27 REMAIN ELIGIBLE IF THE HOUSEHOLD INCOME LIMIT IS EXCEEDED
28 DUE SOLELY TO A SOCIAL SECURITY COST-OF-LIVING
29 ADJUSTMENT.

30 (III) ELIGIBILITY IN THE PROPERTY TAX AND RENT

1 REBATE PROGRAM PURSUANT TO SUBPARAGRAPH (II) SHALL EXPIRE
2 ON DECEMBER 31, 2016.

3 (4) ALL BENEFITS RECEIVED UNDER STATE UNEMPLOYMENT
4 INSURANCE LAWS AND VETERANS' DISABILITY PAYMENTS.

5 (5) ALL INTEREST RECEIVED FROM THE FEDERAL OR ANY STATE
6 GOVERNMENT OR ANY INSTRUMENTALITY OR POLITICAL SUBDIVISION
7 THEREOF.

8 (6) REALIZED CAPITAL GAINS AND RENTALS.

9 (7) WORKERS' COMPENSATION.

10 (8) THE GROSS AMOUNT OF LOSS OF TIME INSURANCE BENEFITS,
11 LIFE INSURANCE BENEFITS AND PROCEEDS, EXCEPT THE FIRST \$5,000
12 OF THE TOTAL OF DEATH BENEFIT PAYMENTS.

13 (9) GIFTS OF CASH OR PROPERTY, OTHER THAN TRANSFERS BY
14 GIFT BETWEEN MEMBERS OF A HOUSEHOLD, IN EXCESS OF A TOTAL
15 VALUE OF \$300.

16 THE TERM DOES NOT INCLUDE SURPLUS FOOD OR OTHER RELIEF IN KIND
17 SUPPLIED BY A GOVERNMENTAL AGENCY, PROPERTY TAX OR RENT REBATE
18 OR INFLATION DIVIDEND.

19 "PERMANENTLY DISABLED PERSON." A PERSON WHO IS UNABLE TO
20 ENGAGE IN ANY SUBSTANTIAL GAINFUL ACTIVITY BY REASON OF ANY
21 MEDICALLY DETERMINABLE PHYSICAL OR MENTAL IMPAIRMENT WHICH CAN
22 BE EXPECTED TO CONTINUE INDEFINITELY, EXCEPT AS PROVIDED IN
23 SECTION 2904-G(B)(3) AND (C).

24 "REAL PROPERTY TAXES." ALL TAXES ON A HOMESTEAD, EXCLUSIVE
25 OF MUNICIPAL ASSESSMENTS, DELINQUENT CHARGES AND INTEREST, DUE
26 AND PAYABLE DURING A CALENDAR YEAR.

27 "RENT REBATE IN LIEU OF PROPERTY TAXES." TWENTY PERCENT OF
28 THE GROSS AMOUNT ACTUALLY PAID IN CASH OR ITS EQUIVALENT IN ANY
29 CALENDAR YEAR TO A LANDLORD IN CONNECTION WITH THE OCCUPANCY OF
30 A HOMESTEAD BY A CLAIMANT, IRRESPECTIVE OF WHETHER SUCH AMOUNT

1 CONSTITUTES PAYMENT SOLELY FOR THE RIGHT OF OCCUPANCY OR
2 OTHERWISE.

3 "SECRETARY." THE SECRETARY OF REVENUE OF THE COMMONWEALTH.

4 "WIDOW" OR "WIDOWER." THE SURVIVING WIFE OR THE SURVIVING
5 HUSBAND, AS THE CASE MAY BE, OF A DECEASED INDIVIDUAL AND WHO
6 HAS NOT REMARRIED EXCEPT AS PROVIDED IN SECTION 2904-G(B)(3) AND
7 (C).

8 SECTION 2904-G. PROPERTY TAX; AND RENT REBATE.

9 (A) SCHEDULE OF REBATES.--

10 (1) THE AMOUNT OF ANY CLAIM FOR PROPERTY TAX REBATE OR
11 RENT REBATE IN LIEU OF PROPERTY TAXES FOR REAL PROPERTY TAXES
12 OR RENT DUE AND PAYABLE DURING CALENDAR YEARS 1985 THROUGH
13 2005 SHALL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING
14 SCHEDULE:

	<u>PERCENTAGE OF REAL PROPERTY TAXES OR</u>
	<u>RENT REBATE IN LIEU OF</u>
<u>HOUSEHOLD INCOME</u>	<u>PROPERTY TAXES ALLOWED AS REBATE</u>
18 <u>\$ 0 - \$ 4,999</u>	<u>100%</u>
19 <u>5,000 - 5,499</u>	<u>100</u>
20 <u>5,500 - 5,999</u>	<u>90</u>
21 <u>6,000 - 6,499</u>	<u>80</u>
22 <u>6,500 - 6,999</u>	<u>70</u>
23 <u>7,000 - 7,499</u>	<u>60</u>
24 <u>7,500 - 7,999</u>	<u>50</u>
25 <u>8,000 - 8,499</u>	<u>40</u>
26 <u>8,500 - 8,999</u>	<u>35</u>
27 <u>9,000 - 9,999</u>	<u>25</u>
28 <u>10,000 - 11,999</u>	<u>20</u>
29 <u>12,000 - 12,999</u>	<u>15</u>
30 <u>13,000 - 15,000</u>	<u>10</u>

1 (2) THE FOLLOWING APPLY:

2 (I) THE BASE AMOUNT OF ANY CLAIM FOR PROPERTY TAX
3 REBATE FOR REAL PROPERTY TAXES DUE AND PAYABLE DURING:

4 (A) EXCEPT AS PROVIDED UNDER CLAUSE (B),
5 CALENDAR YEAR 2006 AND THEREAFTER SHALL BE DETERMINED
6 IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

	<u>AMOUNT OF REAL PROPERTY TAXES</u>
<u>HOUSEHOLD INCOME</u>	<u>ALLOWED AS REBATE</u>
9 <u>\$ 0 - \$ 8,000</u>	<u>\$650</u>
10 <u> 8,001 - 15,000</u>	<u> 500</u>
11 <u> 15,001 - 18,000</u>	<u> 300</u>
12 <u> 18,001 - 35,000</u>	<u> 250</u>

13 (B) FOR CALENDAR YEAR 2016 AND THEREAFTER, A
14 CLAIMANT SHALL BE ELIGIBLE FOR AN ADDITIONAL BASE
15 AMOUNT IN ADDITION TO THE BASE AMOUNT UNDER CLAUSE
16 (A) IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

	<u>ADDITIONAL AMOUNT OF REAL</u>
	<u>PROPERTY TAXES</u>
<u>HOUSEHOLD INCOME</u>	<u>ALLOWED AS REBATE</u>
19 <u>\$ 0 - \$ 8,000</u>	<u>\$200</u>
20 <u> 8,001 - 15,000</u>	<u> 200</u>
21 <u> 15,001 - 18,000</u>	<u> 200</u>
22 <u> 18,001 - 35,000</u>	<u> 200</u>

24 (II) THE SUPPLEMENTAL AMOUNT FOR A CLAIMANT WITH A
25 HOUSEHOLD INCOME EQUAL TO OR LESS THAN \$30,000 AND AN
26 ELIGIBLE CLAIM FOR PROPERTY TAX REBATE FOR REAL PROPERTY
27 TAXES DUE AND PAYABLE DURING THE CALENDAR YEAR PRECEDING
28 THE FIRST YEAR IN WHICH A PAYMENT UNDER SECTION 505(B) OF
29 THE ACT OF JUNE 27, 2006 (1ST SP.SESS., P.L.1873, NO.1),
30 KNOWN AS THE TAXPAYER RELIEF ACT, IS MADE AND EACH YEAR

1 THEREAFTER AND WHOSE REAL PROPERTY TAXES EXCEED 15% OF
 2 THE CLAIMANT'S HOUSEHOLD INCOME SHALL BE EQUAL TO 50% OF
 3 THE BASE AMOUNT DETERMINED UNDER SUBPARAGRAPH (I). A
 4 CLAIMANT WHO IS A RESIDENT OF A CITY OF THE FIRST CLASS,
 5 A CITY OF THE SECOND CLASS A OR A SCHOOL DISTRICT OF THE
 6 FIRST CLASS A SHALL BE INELIGIBLE FOR THE SUPPLEMENTAL
 7 AMOUNT UNDER THIS SUBPARAGRAPH.

8 (3) THE AMOUNT OF ANY CLAIM FOR RENT REBATE IN LIEU OF
 9 PROPERTY TAXES FOR RENT DUE AND PAYABLE DURING:

10 (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II),
 11 CALENDAR YEAR 2006 AND THEREAFTER SHALL BE DETERMINED IN
 12 ACCORDANCE WITH THE FOLLOWING:

	<u>AMOUNT OF RENT REBATE IN</u>
	<u>LIEU OF PROPERTY TAXES</u>
<u>HOUSEHOLD INCOME</u>	<u>ALLOWED AS REBATE</u>
16 <u>\$ 0 - \$ 8,000</u>	<u>\$650</u>
17 <u>8,001 - 15,000</u>	<u>500</u>
18 <u>15,001 - 18,000</u>	<u>0</u>
19 <u>18,001 - 35,000</u>	<u>0</u>

20 (II) FOR CALENDAR YEAR 2016 AND THEREAFTER, A
 21 CLAIMANT SHALL BE ELIGIBLE FOR AN ADDITIONAL BASE AMOUNT
 22 IN ADDITION TO THE BASE AMOUNT UNDER SUBPARAGRAPH (I) IN
 23 ACCORDANCE WITH THE FOLLOWING SCHEDULE:

	<u>ADDITIONAL AMOUNT OF REAL</u>
	<u>PROPERTY TAXES</u>
<u>HOUSEHOLD INCOME</u>	<u>ALLOWED AS REBATE</u>
27 <u>\$ 0 - \$ 8,000</u>	<u>\$200</u>
28 <u>8,001 - 15,000</u>	<u>200</u>
29 <u>15,001 - 18,000</u>	<u>200</u>
30 <u>18,001 - 35,000</u>	<u>200</u>

1 (B) LIMITATIONS ON CLAIMS.--

2 (1) NO CLAIM THROUGH CALENDAR YEAR 2005 SHALL BE ALLOWED
3 IF THE AMOUNT OF PROPERTY TAX OR RENT REBATE COMPUTED IN
4 ACCORDANCE WITH THIS SECTION IS LESS THAN \$10, AND THE
5 MAXIMUM AMOUNT OF PROPERTY TAX OR RENT REBATE PAYABLE SHALL
6 NOT EXCEED \$500.

7 (2) FOR CALENDAR YEAR 2006 AND THEREAFTER, THE MAXIMUM
8 AMOUNT OF PROPERTY TAX OR RENT REBATE IN LIEU OF PROPERTY
9 TAXES PAYABLE SHALL NOT EXCEED THE LESSER OF:

10 (I) THE AMOUNT OF A CLAIM UNDER SUBSECTION (A) (2) OR

11 (3);

12 (II) THE AMOUNT OF REAL PROPERTY TAXES ACTUALLY
13 PAID; OR

14 (III) 20% OF GROSS RENT ACTUALLY PAID.

15 (3) NO CLAIM SHALL BE ALLOWED IF THE CLAIMANT IS A
16 TENANT OF AN OWNER OF REAL PROPERTY EXEMPT FROM REAL PROPERTY
17 TAXES.

18 (C) APPORTIONMENT AND PUBLIC ASSISTANCE.--

19 (1) IF ANY OF THE FOLLOWING EXIST RELATING TO A CLAIM:

20 (I) A HOMESTEAD IS OWNED OR RENTED AND OCCUPIED FOR
21 ONLY A PORTION OF A YEAR OR IS OWNED OR RENTED IN PART BY
22 A PERSON WHO DOES NOT MEET THE QUALIFICATIONS FOR A
23 CLAIMANT, EXCLUSIVE OF ANY INTEREST OWNED OR LEASED BY A
24 CLAIMANT'S SPOUSE;

25 (II) THE CLAIMANT IS A WIDOW OR WIDOWER WHO
26 REMARRIES; OR

27 (III) THE CLAIMANT IS A FORMERLY DISABLED PERSON WHO
28 IS NO LONGER DISABLED,

29 THE DEPARTMENT SHALL APPORTION THE REAL PROPERTY TAXES OR
30 RENT IN ACCORDANCE WITH THE PERIOD OR DEGREE OF OWNERSHIP OR

1 LEASEHOLD OR ELIGIBILITY OF THE CLAIMANT IN DETERMINING THE
2 AMOUNT OF REBATE FOR WHICH A CLAIMANT IS ELIGIBLE.

3 (2) A CLAIMANT WHO RECEIVES PUBLIC ASSISTANCE FROM THE
4 DEPARTMENT OF PUBLIC WELFARE SHALL NOT BE ELIGIBLE FOR RENT
5 REBATE IN LIEU OF PROPERTY TAXES DURING THOSE MONTHS WITHIN
6 WHICH THE CLAIMANT RECEIVES PUBLIC ASSISTANCE.

7 (D) GOVERNMENT SUBSIDIES.--RENT SHALL NOT INCLUDE SUBSIDIES
8 PROVIDED BY OR THROUGH A GOVERNMENTAL AGENCY.

9 SECTION 2905-G. FILING OF CLAIM.

10 (A) GENERAL RULE.--EXCEPT AS OTHERWISE PROVIDED IN
11 SUBSECTION (B), A CLAIM FOR PROPERTY TAX OR RENT REBATE SHALL BE
12 FILED WITH THE DEPARTMENT ON OR BEFORE THE 30TH DAY OF JUNE OF
13 THE YEAR NEXT SUCCEEDING THE END OF THE CALENDAR YEAR IN WHICH
14 REAL PROPERTY TAXES OR RENT WAS DUE AND PAYABLE.

15 (B) EXCEPTION.--A CLAIM FILED AFTER THE JUNE 30 DEADLINE
16 UNTIL DECEMBER 31 OF SUCH CALENDAR YEAR SHALL BE ACCEPTED BY THE
17 SECRETARY AS LONG AS FUNDS ARE AVAILABLE TO PAY THE BENEFITS TO
18 THE LATE FILING CLAIMANT.

19 (C) PAYMENTS FROM STATE LOTTERY FUND.--NO REIMBURSEMENT ON A
20 CLAIM SHALL BE MADE FROM THE STATE LOTTERY FUND EARLIER THAN THE
21 DAY FOLLOWING THE 30TH DAY OF JUNE PROVIDED IN THIS ARTICLE ON
22 WHICH THAT CLAIM MAY BE FILED WITH THE DEPARTMENT.

23 (D) ELIGIBILITY OF CLAIMANTS.--

24 (1) ONLY ONE CLAIMANT FROM A HOMESTEAD EACH YEAR SHALL
25 BE ENTITLED TO THE PROPERTY TAX OR RENT REBATE.

26 (2) IF TWO OR MORE PERSONS ARE ABLE TO MEET THE
27 QUALIFICATIONS FOR A CLAIMANT, THEY MAY DETERMINE WHO THE
28 CLAIMANT SHALL BE.

29 (3) IF THEY ARE UNABLE TO AGREE, THE DEPARTMENT SHALL
30 DETERMINE TO WHOM THE REBATE IS TO BE PAID.

1 SECTION 2906-G. PROOF OF CLAIM.

2 (A) CONTENTS.--EACH CLAIM SHALL INCLUDE:

3 (1) REASONABLE PROOF OF HOUSEHOLD INCOME.

4 (2) THE SIZE AND NATURE OF THE PROPERTY CLAIMED AS A
5 HOMESTEAD.

6 (3) THE RENT, TAX RECEIPT OR OTHER PROOF THAT THE REAL
7 PROPERTY TAXES ON THE HOMESTEAD HAVE BEEN PAID OR RENT IN
8 CONNECTION WITH THE OCCUPANCY OF A HOMESTEAD HAS BEEN PAID.

9 (4) IF THE CLAIMANT IS A WIDOW OR WIDOWER, A DECLARATION
10 OF SUCH STATUS IN SUCH MANNER AS PRESCRIBED BY THE SECRETARY.

11 (B) PROOF OF DISABILITY.--

12 (1) PROOF THAT A CLAIMANT IS ELIGIBLE TO RECEIVE
13 DISABILITY BENEFITS UNDER THE SOCIAL SECURITY ACT (49 STAT.
14 620, 42 U.S.C. § 301 ET SEQ.) SHALL CONSTITUTE PROOF OF
15 DISABILITY UNDER THIS ARTICLE.

16 (2) NO PERSON WHO HAS BEEN FOUND NOT TO BE DISABLED BY
17 THE SOCIAL SECURITY ADMINISTRATION SHALL BE GRANTED A REBATE
18 UNDER THIS ARTICLE.

19 (3) A CLAIMANT NOT COVERED UNDER THE SOCIAL SECURITY ACT
20 SHALL BE EXAMINED BY A PHYSICIAN DESIGNATED BY THE DEPARTMENT
21 AND SUCH STATUS DETERMINED USING THE SAME STANDARDS USED BY
22 THE SOCIAL SECURITY ADMINISTRATION.

23 (C) DIRECT PAYMENT OF TAXES OR RENT NOT REQUIRED.--IT SHALL
24 NOT BE NECESSARY THAT SUCH TAXES OR RENT WERE PAID DIRECTLY BY
25 THE CLAIMANT IF THE RENT OR TAXES HAVE BEEN PAID WHEN THE CLAIM
26 IS FILED.

27 (D) PROOF OF AGE ON FIRST CLAIM.--THE FIRST CLAIM FILED
28 SHALL INCLUDE PROOF THAT THE CLAIMANT OR THE CLAIMANT'S SPOUSE
29 WAS AT LEAST 65 YEARS OF AGE, OR AT LEAST 50 YEARS OF AGE IN THE
30 CASE OF A WIDOW OR WIDOWER DURING THE CALENDAR YEAR IN WHICH

1 REAL PROPERTY TAXES OR RENT WERE DUE AND PAYABLE.

2 SECTION 2907-G. INCORRECT CLAIM.

3 WHENEVER ON AUDIT OF A CLAIM THE DEPARTMENT FINDS THE CLAIM
4 TO HAVE BEEN INCORRECTLY DETERMINED, IT SHALL REDETERMINE THE
5 CORRECT AMOUNT OF THE CLAIM AND NOTIFY THE CLAIMANT OF THE
6 REASON FOR THE REDETERMINATION AND THE AMOUNT OF THE CORRECTED
7 CLAIM.

8 SECTION 2908-G. FUNDS FOR PAYMENT OF CLAIMS.

9 (A) PAYMENT.--APPROVED CLAIMS SHALL BE PAID FROM THE STATE
10 LOTTERY FUND ESTABLISHED BY THE ACT OF AUGUST 26, 1971 (P.L.351,
11 NO.91), KNOWN AS THE STATE LOTTERY LAW.

12 (B) TRANSFERS.--THE SECRETARY OF THE BUDGET SHALL TRANSFER
13 THE FOLLOWING AMOUNTS FROM THE PROPERTY TAX RELIEF FUND TO THE
14 STATE LOTTERY:

15 (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN
16 AMOUNT EQUAL TO \$100,000,000 OF THE TOTAL SLOT MACHINE
17 LICENSE FEES PAID BY SUCCESSFUL APPLICANTS FOR A CATEGORY 1
18 SLOT MACHINE LICENSE UNDER 4 PA.C.S. § 1209 (RELATING TO SLOT
19 MACHINE LICENSE FEE). THE TRANSFER UNDER THIS PARAGRAPH SHALL
20 OCCUR UPON DEPOSIT IN THE PROPERTY TAX RELIEF FUND OF MONEYS
21 DERIVED FROM THE FEE FROM THE FOURTH SUCCESSFUL APPLICANT FOR
22 A CATEGORY 1 SLOT MACHINE LICENSE.

23 (2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN
24 AMOUNT EQUAL TO \$100,000,000 OF THE TOTAL SLOT MACHINE
25 LICENSE FEES PAID BY SUCCESSFUL APPLICANTS FOR A CATEGORY 2
26 SLOT MACHINE LICENSE UNDER 4 PA.C.S. § 1209. THE TRANSFER
27 UNDER THIS PARAGRAPH SHALL OCCUR UPON DEPOSIT IN THE PROPERTY
28 TAX RELIEF FUND OF MONEYS DERIVED FROM THE FEE FROM THE THIRD
29 SUCCESSFUL APPLICANT FOR A CATEGORY 2 SLOT MACHINE LICENSE.

30 (3) FOR FISCAL YEARS 2007-2008 AND 2008-2009, AN AMOUNT

1 EQUAL TO THE SUM OF APPROVED CLAIMS TO BE PAID IN EACH OF
2 THOSE FISCAL YEARS UNDER SECTIONS 704 OF THE ACT OF JUNE 27,
3 2006 (1ST SP.SESS., P.L.1873, NO.1), KNOWN AS THE TAXPAYER
4 RELIEF ACT, AND 2904-G(A) (2) (II) OF THIS ACT, IF ANY.

5 (4) FOR FISCAL YEAR 2009-2010 AND EACH FISCAL YEAR
6 THEREAFTER, THE SUM OF ALL OF THE FOLLOWING, MINUS THE AMOUNT
7 UNDER SUBSECTION (C):

8 (I) THE DIFFERENCE BETWEEN THE SUM OF THE AMOUNT OF
9 APPROVED CLAIMS TO BE PAID IN THE NEXT FISCAL YEAR UNDER
10 SECTION 2904-G(A) (2) (I) AND (3) AND THE AMOUNT OF
11 APPROVED CLAIMS PAID IN FISCAL YEAR 2006-2007 UNDER
12 SECTION 2904-G(A) (1).

13 (II) THE SUM OF THE AMOUNT OF APPROVED CLAIMS TO BE
14 PAID IN THE NEXT FISCAL YEAR UNDER SECTION 704 OF THE
15 TAXPAYER RELIEF ACT AND 2904-G(A) (2) (II) OF THIS ACT, IF
16 ANY.

17 (5) BEGINNING IN FISCAL YEAR 2009-2010 AND UNTIL THE
18 DIFFERENCE BETWEEN THE SUM OF SUBPARAGRAPHS (I) AND (II) AND
19 \$200,000,000 IS PAID, AN AMOUNT OF NOT LESS THAN \$40,000,000
20 ANNUALLY OR THE AMOUNT OF THE DIFFERENCE, WHICHEVER IS LESS.
21 ALL TRANSFERS UNDER THIS PARAGRAPH SHALL BE COMPLETED NO
22 LATER THAN FOUR YEARS AFTER THE TRANSFER REQUIRED BY
23 PARAGRAPH (2).

24 (I) THE DIFFERENCE BETWEEN THE SUM OF THE AMOUNT OF
25 APPROVED CLAIMS TO BE PAID IN FISCAL YEAR 2007-2008 UNDER
26 SECTION 2904-G(A) (2) (I) AND (3) AND THE AMOUNT OF
27 APPROVED CLAIMS PAID IN FISCAL YEAR 2006-2007 UNDER
28 SECTION 2904-G(A) (1).

29 (II) THE DIFFERENCE BETWEEN THE SUM OF THE AMOUNT OF
30 APPROVED CLAIMS TO BE PAID IN FISCAL YEAR 2008-2009 UNDER

1 SECTION 2904-G(A) (2) (I) AND (3) AND THE AMOUNT OF
2 APPROVED CLAIMS PAID IN FISCAL YEAR 2006-2007 UNDER
3 SECTION 2904-G(A) (1).

4 (C) FOR FISCAL YEARS 2017-2018 AND EACH FISCAL YEAR
5 THEREAFTER, THE SECRETARY OF THE BUDGET SHALL TRANSFER FROM THE
6 SCHOOL DISTRICT HOMESTEAD AND FARMSTEAD RELIEF FUND TO THE STATE
7 LOTTERY AN AMOUNT SUFFICIENT TO PROVIDE THE FOLLOWING:

8 (I) THE ADDITIONAL BASE AMOUNTS IN SECTION 2904-G(A)
9 (2) (I) (B).

10 (II) THE ADDITIONAL AMOUNTS IN SECTION 2904-G(A) (3)
11 (II).

12 (III) THE INCREASED SUPPLEMENTAL AMOUNTS UNDER
13 SECTION 2904-G(A) (2) (II) AS THE RESULT OF THE ADDITIONAL
14 BASE AMOUNTS UNDER SECTION 2904-G(A) (2) (I) (B).

15 (IV) THE INCREASED SUPPLEMENTAL AMOUNTS UNDER
16 SECTION 704 OF THE TAXPAYER RELIEF ACT AS THE RESULT OF
17 THE ADDITIONAL BASE AMOUNTS UNDER SECTION 2904-G(A) (2) (I)
18 (B).

19 SECTION 2909-G. CLAIM FORMS AND RULES AND REGULATIONS.

20 (A) GENERAL RULE.--NECESSARY RULES AND REGULATIONS SHALL BE
21 PRESCRIBED BY A COMMITTEE CONSISTING OF THE SECRETARY OF AGING,
22 THE SECRETARY OF REVENUE AND THE SECRETARY OF COMMUNITY AND
23 ECONOMIC DEVELOPMENT. THE SECRETARY OF AGING SHALL SERVE AS THE
24 CHAIRMAN OF THE COMMITTEE. THE DEPARTMENT SHALL RECEIVE ALL
25 APPLICATIONS, DETERMINE THE ELIGIBILITY OF CLAIMANTS, HEAR
26 APPEALS, DISBURSE PAYMENTS AND MAKE AVAILABLE SUITABLE FORMS FOR
27 THE FILING OF CLAIMS.

28 (B) REPORT TO GENERAL ASSEMBLY.--IN ADDITION TO ANY RULES
29 AND REGULATIONS PRESCRIBED UNDER SUBSECTION (A), THE DEPARTMENT
30 SHALL COLLECT THE FOLLOWING INFORMATION AND ISSUE A REPORT

1 INCLUDING SUCH INFORMATION TO THE CHAIRMAN AND MINORITY CHAIRMAN
2 OF THE APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRMAN
3 AND MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE
4 HOUSE OF REPRESENTATIVES BY SEPTEMBER 30, 2006, AND SEPTEMBER 30
5 OF EACH YEAR THEREAFTER:

6 (1) THE TOTAL NUMBER OF CLAIMS WHICH WILL BE PAID IN THE
7 FISCAL YEAR IN WHICH THE REPORT IS ISSUED WITH THE
8 INFORMATION PROVIDED BY SCHOOL DISTRICT, BY COUNTY AND FOR
9 EACH HOUSEHOLD INCOME LEVEL UNDER SECTION 2904-G(A)(2)(I).

10 (2) THE TOTAL AMOUNT OF REBATES PAID IN THE FISCAL YEAR
11 IN WHICH THE REPORT IS ISSUED WITH THE INFORMATION PROVIDED
12 BY SCHOOL DISTRICT, BY COUNTY AND FOR EACH HOUSEHOLD INCOME
13 LEVEL UNDER SECTION 2904-G(A)(2)(I).

14 SECTION 2910-G. FRAUDULENT CLAIMS AND CONVEYANCES TO OBTAIN
15 BENEFITS.

16 (A) CIVIL PENALTY.--IN ANY CASE IN WHICH A CLAIM IS
17 EXCESSIVE AND WAS FILED WITH FRAUDULENT INTENT, THE CLAIM SHALL
18 BE DISALLOWED IN FULL, AND A PENALTY OF 25% OF THE AMOUNT
19 CLAIMED SHALL BE IMPOSED. THE PENALTY AND THE AMOUNT OF THE
20 DISALLOWED CLAIM, IF THE CLAIM HAS BEEN PAID, SHALL BEAR
21 INTEREST AT THE RATE OF 1.5% PER MONTH FROM THE DATE OF THE
22 CLAIM UNTIL REPAID.

23 (B) CRIMINAL PENALTY.--THE CLAIMANT AND ANY PERSON WHO
24 ASSISTED IN THE PREPARATION OR FILING OF A FRAUDULENT CLAIM
25 COMMITTS A MISDEMEANOR OF THE THIRD DEGREE AND, UPON CONVICTION
26 THEREOF, SHALL BE SENTENCED TO PAY A FINE NOT EXCEEDING \$1,000
27 OR TO IMPRISONMENT NOT EXCEEDING ONE YEAR, OR BOTH.

28 (C) DISALLOWANCE FOR RECEIPT OF TITLE.--A CLAIM SHALL BE
29 DISALLOWED IF THE CLAIMANT RECEIVED TITLE TO THE HOMESTEAD
30 PRIMARILY FOR THE PURPOSE OF RECEIVING PROPERTY TAX REBATE.

1 SECTION 2911-G. PETITION FOR REDETERMINATION.

2 (A) RIGHT TO FILE.--A CLAIMANT WHOSE CLAIM IS EITHER DENIED,
3 CORRECTED OR OTHERWISE ADVERSELY AFFECTED BY THE DEPARTMENT MAY
4 FILE WITH THE DEPARTMENT A PETITION FOR REDETERMINATION ON FORMS
5 SUPPLIED BY THE DEPARTMENT WITHIN 90 DAYS AFTER THE DATE OF
6 MAILING OF WRITTEN NOTICE BY THE DEPARTMENT OF SUCH ACTION.

7 (B) CONTENTS.--THE PETITION SHALL SET FORTH THE GROUNDS UPON
8 WHICH THE CLAIMANT ALLEGES THAT SUCH DEPARTMENTAL ACTION IS
9 ERRONEOUS OR UNLAWFUL, IN WHOLE OR PART, AND SHALL CONTAIN AN
10 AFFIDAVIT OR AFFIRMATION THAT THE FACTS CONTAINED IN THE
11 PETITION ARE TRUE AND CORRECT.

12 (C) EXTENSION OF TIME FOR FILING.--

13 (1) AN EXTENSION OF TIME FOR FILING THE PETITION MAY BE
14 ALLOWED FOR CAUSE BUT MAY NOT EXCEED 120 DAYS.

15 (2) THE DEPARTMENT SHALL HOLD SUCH HEARINGS AS MAY BE
16 NECESSARY FOR THE PURPOSE OF REDETERMINATION, AND EACH
17 CLAIMANT WHO HAS DULY FILED SUCH PETITION FOR REDETERMINATION
18 SHALL BE NOTIFIED BY THE DEPARTMENT OF THE TIME WHEN AND THE
19 PLACE WHERE SUCH HEARING IN THE CLAIMANT'S CASE WILL BE HELD.

20 (D) TIME PERIOD FOR DECISION.--THE DEPARTMENT SHALL, WITHIN
21 SIX MONTHS AFTER RECEIVING A FILED PETITION FOR REDETERMINATION,
22 DISPOSE OF THE MATTERS RAISED BY SUCH PETITION AND SHALL MAIL
23 NOTICE OF THE DEPARTMENT'S DECISION TO THE CLAIMANT.

24 SECTION 2912-G. REVIEW BY BOARD OF FINANCE AND REVENUE.

25 (A) RIGHT TO REVIEW.--WITHIN 90 DAYS AFTER THE DATE OF
26 OFFICIAL RECEIPT BY THE CLAIMANT OF NOTICE MAILED BY THE
27 DEPARTMENT OF ITS DECISION ON A PETITION FOR REDETERMINATION
28 FILED WITH IT, THE CLAIMANT WHO IS ADVERSELY AFFECTED BY THE
29 DECISION MAY BY PETITION REQUEST THE BOARD TO REVIEW SUCH
30 ACTION.

1 (B) EFFECT OF NO DECISION FROM DEPARTMENT.--THE FAILURE OF
2 THE DEPARTMENT TO OFFICIALLY NOTIFY THE CLAIMANT OF A DECISION
3 WITHIN THE SIX-MONTH PERIOD PROVIDED FOR BY SECTION 2911-G SHALL
4 ACT AS A DENIAL OF THE PETITION, AND A PETITION FOR REVIEW MAY
5 BE FILED WITH THE BOARD WITHIN 120 DAYS AFTER WRITTEN NOTICE IS
6 OFFICIALLY RECEIVED BY THE CLAIMANT THAT THE DEPARTMENT HAS
7 FAILED TO DISPOSE OF THE PETITION WITHIN THE SIX-MONTH PERIOD.

8 (C) CONTENTS OF PETITION FOR REDETERMINATION.--A PETITION
9 FOR REDETERMINATION FILED SHALL STATE THE REASONS UPON WHICH THE
10 CLAIMANT RELIES OR SHALL INCORPORATE BY REFERENCE THE PETITION
11 FOR REDETERMINATION IN WHICH SUCH REASONS WERE STATED. THE
12 PETITION SHALL BE SUPPORTED BY AFFIDAVIT THAT THE FACTS SET
13 FORTH THEREIN ARE CORRECT AND TRUE.

14 (D) TIME PERIOD FOR DECISION.--THE BOARD SHALL ACT IN
15 DISPOSITION OF PETITIONS FILED WITH IT WITHIN SIX MONTHS AFTER
16 THEY HAVE BEEN RECEIVED, AND, IN THE EVENT OF FAILURE OF THE
17 BOARD TO DISPOSE OF ANY PETITION WITHIN SIX MONTHS, THE ACTION
18 TAKEN BY THE DEPARTMENT UPON THE PETITION FOR REDETERMINATION
19 SHALL BE DEEMED SUSTAINED.

20 (E) RELIEF AUTHORIZED BY BOARD.--THE BOARD MAY SUSTAIN THE
21 ACTION TAKEN BY THE DEPARTMENT ON THE PETITION FOR
22 REDETERMINATION OR IT MAY TAKE SUCH OTHER ACTION AS IT SHALL
23 DEEM NECESSARY AND CONSISTENT WITH PROVISIONS OF THIS ARTICLE.

24 (F) FORM OF NOTICE.--NOTICE OF THE ACTION OF THE BOARD SHALL
25 BE GIVEN BY MAIL TO THE DEPARTMENT AND TO THE CLAIMANT.

26 SECTION 2913-G. APPEAL.

27 A CLAIMANT AGGRIEVED BY A DECISION OF THE BOARD MAY APPEAL
28 FROM THE DECISION OF THE BOARD IN THE MANNER PROVIDED BY LAW FOR
29 APPEALS FROM DECISIONS OF THE BOARD IN TAX CASES.

30 SECTION 4. ANY REFERENCE IN AN ACT OR PART OF AN ACT TO THE

1 FORMER CHAPTER 13 OF THE ACT OF JUNE 27, 2006 (1ST SP.SESS.
2 P.L.1873, NO.1), KNOWN AS THE TAXPAYER RELIEF ACT, SHALL BE
3 DEEMED A REFERENCE TO THE ADDITION OF ARTICLE XXIX-G OF THE ACT.

4 SECTION 5. REPEALS ARE AS FOLLOWS:

5 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEALS UNDER
6 PARAGRAPH (2) ARE NECESSARY TO EFFECTUATE THE ADDITION OF
7 ARTICLES XVI AND XXIX-G OF THE ACT.

8 (2) SECTIONS 342 AND 343 AND CHAPTER 13 OF THE ACT OF
9 JUNE 27, 2006 (1ST SP.SESS., P.L.1873, NO.1), KNOWN AS THE
10 TAXPAYER RELIEF ACT, ARE REPEALED.

11 Section ~~2~~ 6. This act shall take effect ~~in 60 days~~. AS <--
12 FOLLOWS:

13 (1) THE AMENDMENT OF SECTION 201(K) (8) AND (O) (4) (B) OF
14 THE ACT SHALL TAKE EFFECT IN 60 DAYS.

15 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT
16 IMMEDIATELY.