

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 974 Session of 2019

INTRODUCED BY PEIFER, BROWN, CIRESI, FARRY, HERSHEY, HICKERNELL, JAMES, JOZWIAK, KEEFER, MENTZER, MILLARD, B. MILLER, MURT, PICKETT, RYAN, SAINATO, SAYLOR, STEPHENS, TOOIL, DUSH AND NELSON, MARCH 26, 2019

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, APRIL 20, 2020

AN ACT

1 Authorizing municipalities to implement senior citizen tax
2 reduction incentive volunteer exchange programs.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Senior
7 Citizen Tax Reduction Incentive Act.

8 Section 2. Legislative intent.

9 It is the intent of the General Assembly to authorize
10 municipalities to establish a program to allow older residents
11 to volunteer and receive a real property tax credit in exchange
12 for volunteer service. While there are municipalities across
13 this Commonwealth that provide certain property tax relief to
14 seniors, the purpose of this act is to grant explicit
15 legislative authorization to allow municipalities to implement
16 such programs. It has been shown that senior citizen tax

1 reduction incentive volunteer exchange programs provide much-
2 needed relief to senior citizens, who often struggle to meet the
3 rising cost of property taxes, and help municipalities meet an
4 increasing demand for a variety of services.

5 Section 3. Definitions.

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

9 "Municipality." A city, borough, incorporated town, township
10 of the first class, township of the second class or home rule
11 municipality formerly classified as a city, borough,
12 incorporated town or township.

13 "Participant." An individual who:

14 (1) is 60 years of age or older;

15 (2) has been a resident of this Commonwealth for at
16 least 90 days;

17 (3) owns real property located in a municipality that
18 has established a program; and

19 (4) participates in the municipality's program.

20 "Program." A senior citizen tax reduction incentive
21 volunteer exchange program authorized under section 4(a).

22 Section 4. Program guidelines.

23 (a) Establishment.--A municipality may establish a senior
24 citizen tax reduction incentive volunteer exchange program that
25 provides real property tax credits to participants in exchange
26 for participants performing volunteer services for the
27 municipality with no other compensation. A municipality which
28 establishes a program shall adopt specific guidelines regarding
29 the program, including the acceptance of participants. The
30 guidelines shall include a criminal background check for each

1 individual seeking to participate in the program.

2 (b) Value of tax credit.--The rate of real property tax
3 credit for a participant shall be established by the
4 municipality and may not exceed the total amount of real
5 property taxes that are owed by the participant. EACH VOLUNTEER <--
6 SERVICE HOUR PROVIDED BY A PARTICIPANT SHALL BE COMPENSATED WITH
7 A REAL PROPERTY TAX CREDIT THE VALUE OF WHICH SHALL BE NO LESS
8 THAN THE MINIMUM HOURLY WAGE REQUIRED BY THE ACT OF JANUARY 17,
9 1968 (P.L.11, NO.5), KNOWN AS THE MINIMUM WAGE ACT OF 1968.

10 (c) Services.--The services that a participant provides
11 through a program must enhance the municipality and provide a
12 direct public benefit to the municipality.

13 (d) Discrimination prohibited.--This section shall be
14 enforced without discrimination based on race, color, marital
15 status, religious creed, ancestry, handicap or disability, age,
16 sex, national origin, the use of a guide or support animal
17 because of the blindness, deafness or physical handicap of the
18 user or because the user is a handler or trainer of support or
19 guide animals under the act of October 27, 1955 (P.L.744,
20 No.222), known as the Pennsylvania Human Relations Act.

21 Section 5. Personal income tax levied by the Commonwealth.

22 A real property tax credit received by a participant shall
23 not be subject to the tax imposed under Article III of the act
24 of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
25 1971.

26 Section 6. Existing job positions.

27 A program may not replace or supplant existing job positions
28 in a municipality.

29 Section 7. Funding.

30 Municipalities may use public or private funding sources to

- 1 support a program.
- 2 Section 8. Effective date.
- 3 This act shall take effect immediately.