
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 923 Session of
2019

INTRODUCED BY MASTRIANO, BREWSTER, DINNIMAN, PITTMAN,
TARTAGLIONE, J. WARD AND K. WARD, OCTOBER 31, 2019

REFERRED TO FINANCE, OCTOBER 31, 2019

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, in assessments of persons and
3 property, providing for senior citizens property tax
4 elimination.

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

7 Section 1. Chapter 85 of Title 53 of the Pennsylvania
8 Consolidated Statutes is amended by adding a subchapter to read:

9 SUBCHAPTER G

10 SENIOR CITIZENS PROPERTY TAX ELIMINATION

11 Sec.

12 8591. Scope of subchapter.

13 8592. Definitions.

14 8593. Exemption.

15 8594. Application for exemption.

16 8595. Termination of exemption.

17 8596. Reimbursement by Commonwealth.

18 8597. Applicability.

19 § 8591. Scope of subchapter.

1 This subchapter relates to senior citizen property tax
2 elimination.

3 § 8592. Definitions.

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

7 "Claimant." An individual who files a claim for real
8 property tax exemption under this subchapter.

9 "Household income." All income received by a claimant and
10 the claimant's spouse while residing in the homestead during the
11 calendar year immediately prior to the year for which tax
12 exemption is claimed.

13 "Income." As follows:

14 (1) All income from whatever source derived, including,
15 but not limited to:

16 (i) Salaries, wages, bonuses, commissions, income
17 from self-employment, alimony, support money, cash public
18 assistance and relief.

19 (ii) The gross amount of any pensions or annuities,
20 including 50% of railroad retirement benefits.

21 (iii) Fifty percent of all benefits received under
22 the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et
23 seq.), except Medicare benefits.

24 (iv) All benefits received under State unemployment
25 insurance laws.

26 (v) All interest received from the Federal or any
27 State government or any instrumentality or political
28 subdivision thereof.

29 (vi) Realized capital gains and rentals.

30 (vii) Workers' compensation.

1 (viii) The gross amount of loss of time insurance
2 benefits, life insurance benefits and proceeds, except
3 the first \$5,000 of the total of death benefit payments.

4 (ix) Gifts of cash or property, other than transfers
5 by gift between members of a household, in excess of a
6 total value of \$300.

7 (2) The term does not include surplus food or other
8 relief in kind supplied by a governmental agency, property
9 tax or rent rebate, inflation dividend, Federal veterans'
10 disability payments or State veterans' benefits.

11 "Real property taxes." All taxes on a homestead, exclusive
12 of municipal assessments, delinquent charges and interest, due
13 and payable during a calendar year.

14 § 8593. Exemption.

15 (a) General rule.--An individual who has an annual household
16 income of \$40,000 or less shall be exempt from the payment of
17 real property taxes if all of the following apply:

18 (1) The individual is 65 years of age or older.

19 (2) The individual currently resides on the property for
20 which the exemption is claimed and has maintained residency
21 on the property for 10 or more years.

22 (3) Neither the individual nor any other person with
23 whom the individual owns the property by joint tenancy,
24 tenancy in common or tenancy by the entireties is currently
25 claiming or otherwise receiving an exemption under this
26 subchapter as to other property located in this Commonwealth.

27 (b) Homestead.--The exemption authorized under subsection
28 (a) shall apply only to real property taxes on an eligible
29 claimant's homestead.

30 § 8594. Application for exemption.

1 (a) Initial application.--An individual may apply annually
2 for the exemption authorized under section 8593 (relating to
3 exemption). In the initial year of application, the claimant
4 must file with the political subdivision that imposes the tax a
5 notarized statement containing all of the following:

6 (1) The claimant's name, residential address and Social
7 Security number.

8 (2) A certification that the individual is 65 years of
9 age or older, currently resides on the property for which the
10 exemption is claimed and has maintained residency on the
11 property for 10 or more years.

12 (3) The names and Social Security numbers of all other
13 owners of the property for which the exemption is claimed.

14 (4) A certification that no taxes are in arrears for the
15 property.

16 (5) Evidence that the individual's annual household
17 income does not exceed \$40,000.

18 (b) Subsequent years.--After a political subdivision
19 authorizes a claimant's initial application, the claimant shall
20 remain eligible for a tax exemption in subsequent years as long
21 as the claimant annually files an application with the political
22 subdivision showing that the claimant continues to meet the
23 eligibility requirements of this subchapter.

24 § 8595. Termination of exemption.

25 (a) General rule.--Except as provided in subsection (b), an
26 exemption allowed under section 8593 (relating to exemption)
27 shall be terminated, and the tax and tax rate shall become
28 current upon sale or transfer of the property for which the
29 exemption is in effect, including a transfer under a recorded
30 real property sales contract.

1 (b) Exception.--The exemption shall not be terminated under
2 subsection (a) if the sale or transfer is to a joint owner,
3 tenant in common or tenant by the entirety who is 64 years of
4 age or older at the time of the sale or transfer and who is
5 otherwise entitled to claim the exemption.

6 § 8596. Reimbursement by Commonwealth.

7 Political subdivisions shall be reimbursed annually by the
8 Commonwealth for the difference between the real property taxes
9 imposed upon individuals who are receiving exemptions under this
10 subchapter and the tax liability which would have been imposed
11 if the exemptions had not been granted. Reimbursements under
12 this section shall be paid from the State Gaming Fund and the
13 State Lottery Fund.

14 § 8597. Applicability.

15 This subchapter shall apply to real property taxes due on or
16 after July 1 next succeeding the effective date of this section.

17 Section 2. This act shall take effect immediately.