
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 91 Session of
2023

INTRODUCED BY MUTH, SANTARSIERO, FONTANA, COMMITTA AND BREWSTER,
JANUARY 30, 2023

REFERRED TO FINANCE, JANUARY 30, 2023

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," providing for veterans property tax and rent
11 rebate assistance; establishing the Veterans Property Tax and
12 Rent Rebate Assistance Account; imposing penalties; and
13 making a transfer.

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

16 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as
17 the Tax Reform Code of 1971, is amended by adding an article to
18 read:

19 ARTICLE XXIX-I

20 VETERANS PROPERTY TAX AND RENT REBATE ASSISTANCE

21 Section 2901-I. Scope of article.

22 This article provides for veterans' assistance in the form of
23 property tax and rent rebates.

1 Section 2902-I. Definitions.

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

5 "Board." The Board of Finance and Revenue of the
6 Commonwealth.

7 "Claimant." A person that files a claim for property tax
8 rebate or rent rebate in lieu of property taxes and is a veteran
9 who has been honorably discharged from the armed forces of the
10 United States, including the National Guard, within the past
11 three years.

12 "DD214." A United States Department of Defense Report of
13 Separation Form 214 or a similarly effective form issued by the
14 Department of Defense relating to separation from military
15 service.

16 "DD215." A United States Department of Defense Incomplete
17 Awards, Decorations and Discharges Form 215 or similarly
18 effective form issued by the Department of Defense to correct
19 errors or make additions to a DD214 in order to ensure that the
20 veteran has accurate discharge documentation.

21 "Department." The Department of Revenue of the Commonwealth.

22 "Homestead." A dwelling, whether owned or rented, and so
23 much of the land surrounding it, as is reasonably necessary for
24 the use of the dwelling as a home, occupied by a claimant. The
25 term includes, but is not limited to:

26 (1) Premises occupied by reason of ownership or lease in
27 a cooperative housing corporation.

28 (2) A mobile home that is assessed as realty for local
29 property tax purposes and the land, if owned or rented by the
30 claimant, upon which the mobile home is situated, and other

1 similar living accommodations.

2 (3) A part of a multidwelling or multipurpose building
3 and a part of the land upon which it is built.

4 (4) Premises occupied by reason of a claimant's
5 ownership or rental of a dwelling located on land owned by a
6 nonprofit incorporated association, of which the claimant is
7 a member, if the claimant is required to pay a pro rata share
8 of the property taxes levied against the association's land.

9 (5) Premises occupied by a claimant if the claimant is
10 required by law to pay a property tax by reason of the
11 claimant's ownership or rental, including a possessory
12 interest, in the dwelling, the land or both. An owner
13 includes a person in possession under a contract of sale,
14 deed of trust, life estate, joint tenancy or tenancy in
15 common or by reason of statutes of descent and distribution.

16 "Real property taxes." All taxes on a homestead, exclusive
17 of municipal assessments, delinquent charges and interest, due
18 and payable during a calendar year.

19 "Rent rebate in lieu of property taxes." Twenty percent of
20 the gross amount actually paid in cash or its equivalent in any
21 calendar year to a landlord in connection with the occupancy of
22 a homestead by a claimant, irrespective of whether the amount
23 constitutes payment solely for the right of occupancy or
24 otherwise.

25 "Secretary." The Secretary of Revenue of the Commonwealth.

26 "Veteran." An individual who served in the armed forces of
27 the United States, including the National Guard.

28 Section 2903-I. Establishment of program.

29 The Veterans Property Tax and Rent Rebate Assistance Program
30 is established in the department and shall be administered as

1 provided in this article.

2 Section 2904-I. Property tax and rent rebate.

3 (a) Schedule of rebates.--The following shall apply:

4 (1) (i) The base amount of any claim for property tax
5 rebate for real property taxes due and payable during a
6 calendar year shall be determined in accordance with the
7 following schedule:

	<u>Amount of Real Property Taxes</u>
<u>Household Income</u>	<u>Allowed as Rebate</u>
10 \$ 0 - \$ 8,000	\$650
11 8,001 - 15,000	500
12 15,001 - 18,000	300
13 18,001 - 35,000	250

14 (ii) The supplemental amount for a claimant with a
15 household income equal to or less than \$30,000 and an
16 eligible claim for property tax rebate for real property
17 taxes due and payable during a calendar year and whose
18 real property taxes exceed 15% of the claimant's
19 household income shall be equal to 50% of the base amount
20 determined under subparagraph (i). A claimant who is a
21 resident of a city of the first class, a city of the
22 second class A or a school district of the first class A
23 shall be ineligible for the supplemental amount under
24 this subparagraph.

25 (2) The amount of any claim for rent rebate in lieu of
26 property taxes for rent due and payable during a calendar
27 year shall be determined in accordance with the following:

	<u>Amount of Rent Rebate in Lieu of</u>
	<u>Property Taxes</u>
<u>Household Income</u>	<u>Allowed as Rebate</u>

1	<u>\$ 0 - \$ 8,000</u>	<u>\$650</u>
2	<u>8,001 - 15,000</u>	<u>500</u>
3	<u>15,001 - 18,000</u>	<u>300</u>
4	<u>18,001 - 35,000</u>	<u>250</u>

5 (b) Limitations on claims.--

6 (1) No claim during a calendar year shall be allowed if
7 the amount of property tax or rent rebate computed in
8 accordance with this section is less than \$10.

9 (2) During a calendar year, the maximum amount of
10 property tax or rent rebate in lieu of property taxes payable
11 shall not exceed the lesser of:

12 (i) the amount of a claim under subsection (a); or

13 (ii) (A) the amount of real property taxes actually
14 paid; or

15 (B) twenty percent of gross rent actually paid.

16 (3) No claim shall be allowed if the claimant is a
17 tenant of an owner of real property exempt from real property
18 taxes.

19 (c) Apportionment and public assistance.--

20 (1) If a claim relates to a homestead owned or rented
21 and occupied for only a portion of a year or owned or rented
22 in part by a person who does not meet the qualifications for
23 a claimant, exclusive of an interest owned or leased by a
24 claimant's spouse, the department shall apportion the real
25 property taxes or rent in accordance with the period or
26 degree of ownership or leasehold or eligibility of the
27 claimant in determining the amount of rebate for which a
28 claimant is eligible.

29 (2) A claimant who receives public assistance from the
30 Department of Human Services shall not be eligible for rent

1 rebate in lieu of property taxes during those months within
2 which the claimant receives public assistance.

3 (d) Government subsidies.--Rent shall not include subsidies
4 provided by or through a governmental agency.

5 Section 2905-I. Filing of claim.

6 (a) General rule.--Except as otherwise provided in
7 subsection (b), a claim for property tax or rent rebate must be
8 filed with the department on or before June 30 of the year next
9 succeeding the end of the calendar year in which real property
10 taxes or rent was due and payable.

11 (b) Exception.--A claim filed after the June 30 deadline
12 until December 31 of such calendar year shall be accepted by the
13 secretary if money is available to pay the benefits to the late
14 filing claimant.

15 (c) Payments.--A reimbursement on a claim may not be made
16 earlier than the day following June 30 provided in this article
17 on which that claim may be filed with the department.

18 (d) Eligibility of claimants.--

19 (1) Only one claimant from a homestead each year shall
20 be entitled to the property tax or rent rebate.

21 (2) If two or more persons are able to meet the
22 qualifications for a claimant, the persons may determine who
23 the claimant shall be.

24 (3) If the persons are unable to agree, the department
25 shall determine to whom the rebate is to be paid.

26 Section 2906-I. Proof of claim.

27 (a) Contents.--Each claim shall include:

28 (1) A DD214 or DD215, issued within the last three
29 years.

30 (2) The size and nature of the property claimed as a

1 homestead.

2 (3) The rent, tax receipt or other proof that the real
3 property taxes on the homestead have been paid or rent in
4 connection with the occupancy of a homestead has been paid.

5 (4) Other information as required by the department.

6 (b) Direct payment of taxes or rent not required.--It shall
7 not be necessary that taxes or rent were paid directly by the
8 claimant if the rent or taxes have been paid when the claim is
9 filed.

10 Section 2907-I. Incorrect claim.

11 If on audit of a claim the department finds the claim to have
12 been incorrectly determined, the department shall redetermine
13 the correct amount of the claim and notify the claimant of the
14 reason for the redetermination and the amount of the corrected
15 claim.

16 Section 2908-I. Money for payment of claims.

17 (a) Establishment.--The Veterans Property Tax and Rent
18 Rebate Assistance Account is established as a restricted account
19 in the State Treasury. The account shall be for the purpose of
20 funding claims under this article.

21 (b) Transfer.--The sum of \$40,000,000 is transferred from
22 the General Fund to the account.

23 (c) Appropriation.--Money transferred to the account is
24 appropriated on a continuing basis to the Department of Revenue
25 for use in funding claims as specified under this article.

26 Section 2909-I. Claim forms and rules and regulations.

27 (a) General rule.--Necessary rules and regulations shall be
28 prescribed by the secretary, in consultation with the Secretary
29 of Community and Economic Development. The department shall
30 receive all applications, determine the eligibility of

1 claimants, hear appeals, disburse payments and make available
2 suitable forms for the filing of claims.

3 (b) Report to General Assembly.--In addition to any rules
4 and regulations prescribed under subsection (a), the department
5 shall collect the following information and issue a report
6 including the information to the chairperson and minority
7 chairperson of the Appropriations Committee of the Senate and
8 the chairperson and minority chairperson of the Appropriations
9 Committee of the House of Representatives by September 30, 2024,
10 and September 30 of each year thereafter:

11 (1) The total number of claims which will be paid in the
12 fiscal year in which the report is issued with the
13 information provided by school district and by county.

14 (2) The total amount of rebates paid in the fiscal year
15 in which the report is issued with the information provided
16 by school district and by county.

17 Section 2910-I. Fraudulent claims and conveyances to obtain
18 benefits.

19 (a) Civil penalty.--If a claim is excessive and was filed
20 with fraudulent intent, the claim shall be disallowed in full,
21 and a penalty of 25% of the amount claimed shall be imposed. The
22 penalty and the amount of the disallowed claim, if the claim has
23 been paid, shall bear interest at the rate of 1.5% per month
24 from the date of the claim until repaid.

25 (b) Criminal penalty.--The claimant and any person that
26 assisted in the preparation or filing of a fraudulent claim
27 commits a misdemeanor of the third degree and, upon conviction
28 thereof, shall be sentenced to pay a fine not exceeding \$1,000
29 or to imprisonment not exceeding one year, or both.

30 (c) Disallowance for receipt of title.--A claim shall be

1 disallowed if the claimant received title to the homestead
2 primarily for the purpose of receiving a property tax rebate.
3 Section 2911-I. Petition for redetermination.

4 (a) Right to file.--A claimant whose claim is either denied,
5 corrected or otherwise adversely affected by the department may
6 file with the department a petition for redetermination on forms
7 supplied by the department within 90 days after the date of
8 mailing of written notice by the department of the action.

9 (b) Contents.--The petition shall state the grounds upon
10 which the claimant alleges that the departmental action is
11 erroneous or unlawful, in whole or part, and shall contain an
12 affidavit or affirmation that the facts contained in the
13 petition are true and correct.

14 (c) Extension of time for filing.--

15 (1) An extension of time for filing the petition may be
16 allowed for cause but may not exceed 120 days.

17 (2) The department shall hold hearings as may be
18 necessary for the purpose of redetermination, and each
19 claimant who has duly filed such petition for redetermination
20 shall be notified by the department of the time when and the
21 place where a hearing in the claimant's case will be held.

22 (d) Time period for decision.--The department shall, within
23 six months after receiving a filed petition for redetermination,
24 dispose of the matters raised by the petition and shall mail
25 notice of the department's decision to the claimant.

26 Section 2912-I. Review by board.

27 (a) Right to review.--Within 90 days after the date of
28 official receipt by the claimant of notice mailed by the
29 department of its decision on a petition for redetermination
30 filed with it, the claimant who is adversely affected by the

1 decision may by petition request the board to review the action.

2 (b) Effect of no decision from department.--The failure of
3 the department to officially notify the claimant of a decision
4 within the six-month period provided for by section 2911-I shall
5 act as a denial of the petition, and a petition for review may
6 be filed with the board within 120 days after written notice is
7 officially received by the claimant that the department has
8 failed to dispose of the petition within the six-month period.

9 (c) Contents of petition for redetermination.--A petition
10 for redetermination filed shall state the reasons upon which the
11 claimant relies or shall incorporate by reference the petition
12 for redetermination in which the reasons were stated. The
13 petition shall be supported by affidavit that the facts stated
14 in the petition are correct and true.

15 (d) Time period for decision.--The board shall act in
16 disposition of petitions filed with it within six months after a
17 petition has been received, and, in the event of failure of the
18 board to dispose of a petition within six months, the action
19 taken by the department upon the petition for redetermination
20 shall be deemed sustained.

21 (e) Relief authorized by board.--The board may sustain the
22 action taken by the department on the petition for
23 redetermination or may take other action as the board deems
24 necessary and consistent with provisions of this article.

25 (f) Form of notice.--Notice of the action of the board shall
26 be given by mail to the department and to the claimant.

27 Section 2913-I. Appeal.

28 A claimant aggrieved by a decision of the board may appeal
29 from the decision of the board in the manner provided by law for
30 appeals from decisions of the board in tax cases.

1 Section 2. This act shall take effect July 1, 2023, or
2 immediately, whichever is later.