



Senate Finance Committee

168 Main Capitol Building
Harrisburg, PA 17120-0036
(717) 787-4420

Senator Mike Brubaker
Chairman

Stephanie Buchanan
Executive Director
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June 25, 2013
Off the Floor
Rules Room

AGENDA

[Senate Bill 944](#) (Williams)

Authorizes school districts of the first class
conterminous with cities of the first class to enact local
cigarette taxes

[Senate Bill 1043](#) (Browne)

Amends the Fiscal Code to change the limit of reports
filed by a third party to the Department of Revenue

[House Bill 388](#) (Parker)

Amends the Municipal Claim and Tax Lien Law to
provide for the enforcement of delinquent property tax
claims through judgment liens

[House Bill 390](#) (O'Brien)

Enables the gentrification provision for long-term
homeowner-occupants in Philadelphia

[House Bill 391](#) (McGeehan)

Amends Title 53 (Municipalities Generally) to allow
Philadelphia to collect property taxes through
installment payments



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BILL SUMMARY

Legislation: Senate Bill 944, P.N. 1185
Sponsor: Senator Williams
Topic: Cigarette Tax
Date: June 25, 2013

Summary:

Senate Bill 944 allows, if authorized by ordinance, school districts conterminous with a city of the first class to impose an excise tax upon the sale or possession of cigarettes within the school district at a rate of ten cents per cigarette. Additionally, Senate Bill 944 creates the Local Cigarette Tax Fund in the State Treasury.

Under Senate Bill 944, a school district may adopt a resolution to impose the tax. The Department of Revenue shall be notified via a certified copy of the adopted resolution no later than 90 days prior to the effective date of the tax. The Department of Revenue would collect the cigarette tax and pay the tax to the State Treasurer, the custodian of the Local Cigarette Tax Fund. On the tenth day of every month the State Treasurer shall disburse the money contained in the fund to the school district imposing the tax.

The effective date of any tax authorized under this act or change to the tax must occur on the first calendar day of the calendar year. This act shall take effect in 60 days.



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BILL SUMMARY

Legislation: Senate Bill 1043, P.N. 1281
Sponsor: Senator Browne
Act Amended: Fiscal Code
Date: June 25, 2013

Summary:

Senate Bill 1043 amends the Fiscal Code to change the number of required returns, reports or other documents filed by a third party to the Department of Revenue for a tax administered by the Department of Revenue from "50 or more" to "more than ten".

Senate Bill 1043 also repeals the following sections:

- Section 606. Treasurers of Private Corporations to Collect Tax from Interest Paid
- Section 708. Report of Corporate Loans and Payment of Tax
- Section 709. Report of Municipal Loans and Payment of Tax
- Section 724. Monthly Statements by Registers of Wills Reporting Inheritance Tax Appraisers' Returns
- Section 1209. Collection of Amounts Payable to State Institutions



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BILL SUMMARY

Legislation: House Bill 388, P.N. 1794
Sponsor: Representative Parker
Act Amended: Municipal Claim and Tax Lien Law
Topic: Delinquent Tax Collection
Date: June 25, 2013

Summary:

House Bill 388 amends the Municipal Claim and Tax Lien Law to provide for the enforcement of delinquent property tax claims through judgment liens.

House Bill 388 permits a taxing district to impose liens on a property for delinquent real estate taxes in the judgment index in any court of common pleas, provided that the claim has been reduced to judgment under the Real Estate Tax Sale Law (RETSL) or the Municipal Claim and Tax Lien Law (MCTL), as applicable. Upon filing, the claim becomes a judgment lien on any real property in that county that is owned by the delinquent taxpayer.

This act shall take effect in 60 days.



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BILL SUMMARY

Legislation: House Bill 390, P.N. 401
Sponsor: Representative O'Brien
Act Amended: First and Second Class County Property Tax Relief Act
Topic: Tax Relief
Date: June 25, 2013

Summary:

House Bill 390 amends the First and Second Class County Property Tax Relief Act to provide property tax relief based on age and/or financial need of a longtime owners and occupants in the City of Philadelphia. For tax years 2014 through 2023, Philadelphia shall use financial need or age, or both, of the longtime owner-occupant to determine eligibility. Beginning with tax year 2024, the council may use financial need or age, or both, of the long-time owner-occupant to determine eligibility.

Effective date: Immediately

Current Law:

Act 146 does not allow financial need nor the age of the longtime owner-occupant to be a determinant of eligibility for the special real property tax provisions provided for under the act. However, the act provides that school districts and municipalities in counties of the second class may consider the financial need and/or age of owner-occupants in determining eligibility.



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BILL SUMMARY

Legislation: House Bill 391, P.N. 1574
Sponsor: Representative McGeehan
Act Amended: Title 53 (Municipalities Generally) of Pennsylvania Consolidated Statutes
Topic: Property Tax Relief
Date: June 25, 2013

Summary:

House Bill 391 amends Title 53 (Municipalities Generally) to allow Philadelphia to collect property taxes through installment payments.

The bill authorizes the governing body of a county of the first class to collect real estate taxes through periodic installment payments and to determine who will be eligible for the program and how often the installments will be collected.

This act shall take effect in 60 days.

Current Law:

Title 53, Section 8436 provides for installment agreements whereby a local taxing authority may enter into written agreements with any taxpayer, if the taxing authority determines that such agreements will facilitate collection of the taxes dues. This section also provides the authority by which a taxing authority may alter or revoke an installment agreement and it specifies that prepayment by the taxpayer who is enrolled in installment payments is allowed.

Section 11 of the Local Tax Collection Law, authorizes taxing authorities (except counties of the first or second class) to provide by ordinance for the collection and payment of most taxes levied and assessed by taxing districts in not more than four installments.

The Taxpayer Relief Act authorizes school districts of the first class A through fourth class to provide for the collection of school real property taxes in installments for certain eligible taxpayers. The Philadelphia School District is exempt from this provision as it is a school district of the first class.