



Senate Finance Committee

Senator Patrick M. Browne
Chairman

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BILL SUMMARY

SENATE BILL 404, PN451 (SENATOR BROWNE)

Summary:

Senate Bill 404 Amends Article VII, Section 2 (Exemptions and Special Provisions) of the Pennsylvania Constitution, to extend the General Assembly's authority to grant homestead exclusion provisions to 100% of the median assessed value of all homestead property within a local taxing jurisdiction.

Prior Legislation:

Senate Bill 404 is a proposed amendment to the Pennsylvania Constitution. This legislation must be passed in two successive legislative sessions and then approved by the voters of the Commonwealth.

Prior legislation has not yet been passed by the General Assembly; therefore, if this legislation is passed this session, similar legislation must be passed in the 2009-10 legislative session in order for the proposed amendment to be submitted to the voters of the Commonwealth.

Current Law:

Article VII of the Pennsylvania Constitution permits the General Assembly to grant exemptions from real estate taxation within the guidelines authorized by Article VIII, Section 2. In November, 1997, an amendment to the Pennsylvania Constitution was approved by the voters of the Commonwealth which added an additional exemption from the uniformity of taxation clause. By virtue of the 1997 amendment, local taxing jurisdictions are not authorized to exclude from taxation a portion of the assessed value of homestead property, which cannot exceed one-half the median assessed value of all homestead property within the taxing jurisdiction.