
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2435 Session of
2014

INTRODUCED BY PAINTER, THOMAS, MCGEEHAN, CALTAGIRONE, DAVIS,
YOUNGBLOOD, MCNEILL, MAHONEY AND ROZZI, AUGUST 13, 2014

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, AUGUST 13, 2014

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, in assessments of person and property,
3 providing for real estate tax deferral for elderly
4 homeowners.

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

7 Section 1. Subchapter C heading of Chapter 85 of Title 53 of
8 the Pennsylvania Consolidated Statutes is amended to read:

9 Subchapter C

10 [(Reserved)]

11 Real Estate Tax Deferral for Elderly Homeowners

12 Section 2. Chapter 85 of Title 53 is amended by adding
13 sections immediately after Subchapter C heading to read:

14 § 8551. Scope of chapter.

15 This subchapter relates to deferrals of real estate taxes for
16 certain elderly homeowners.

17 § 8552. Authority.

18 All political subdivisions shall grant tax deferrals in the
19 manner provided in this subchapter.

1 § 8553. Eligibility and length of deferral.

2 (a) Deferral for five years.--The following claimants shall
3 be eligible for a real estate tax deferral of five years:

4 (1) A sole homeowner who has reached at least 65 years
5 of age.

6 (2) Joint homeowners whose ages add up to at least 130
7 years.

8 (b) Permanent deferral.--The following claimants shall be
9 eligible for a permanent real estate tax deferral:

10 (1) A sole homeowner who has reached at least 75 years
11 of age.

12 (2) Joint homeowners whose ages add up to at least 150
13 years.

14 (c) Income eligibility.--A claimant shall be eligible for a
15 tax deferral if the claimant and the claimant's spouse have a
16 household income not exceeding the maximum household income
17 eligibility limitations set forth in Chapter 13 of the act of
18 June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the
19 Taxpayer Relief Act.

20 (c) Ineligible homeowners.--Three or more joint homeowners
21 and corporate homeowners shall not be eligible for a real estate
22 tax deferral under this subchapter.

23 § 8554. Application procedure.

24 (a) Initial application.--Any person eligible for a tax
25 deferral under this subchapter may apply annually to the
26 political subdivision. In the initial year of application, the
27 following information shall be provided in the manner required
28 by the political subdivision:

29 (1) A statement of request for the tax deferral.

30 (2) A certification that the applicant or the applicant

1 and his or her spouse jointly are the owners in fee simple of
2 the homestead upon which the real property taxes are imposed.

3 (3) A certification that the applicant's homestead is
4 adequately insured under a homeowner's policy to the extent
5 of all outstanding liens.

6 (4) Receipts showing timely payment of the immediately
7 preceding year's nondeferred real property tax liability.

8 (5) Proof of income eligibility under section 8574
9 (relating to income eligibility).

10 (6) Proof of age requirement under section 8552
11 (relating to authority).

12 (7) Any other information required by the political
13 subdivision.

14 (b) Subsequent years.--After the initial entry into the
15 program, a claimant shall remain eligible for tax deferral in
16 subsequent years so long as the claimant continues to meet the
17 eligibility requirements of this subchapter.

18 § 8555. Attachment and satisfaction of lien.

19 (a) Nature of lien.--All taxes deferred under this
20 subchapter shall constitute a prior lien on the homestead of the
21 claimant in favor of the political subdivision and shall attach
22 as of the date and in the same manner as other real estate tax
23 liens. The deferred taxes shall be collected as other real
24 estate tax liens, but the deferred taxes shall be due, payable
25 and delinquent only as provided in subsection (b).

26 (b) Payment.--

27 (1) All or part of the deferred taxes may at any time be
28 paid to the political subdivision.

29 (2) In the event that the deferred taxes are not paid by
30 the claimant or the claimant's spouse during his or her

1 lifetime or during their continued ownership of the
2 homestead, the deferred taxes shall be paid either:

3 (i) prior to the conveyance of the homestead to any
4 third party; or

5 (ii) prior to the passing of the legal or equitable
6 title, either by will or by statute, to the heirs of the
7 claimant or the claimant's spouse.

8 (3) The surviving spouse of a claimant shall not be
9 required to pay the deferred taxes by reason of his or her
10 acquisition of the homestead due to death of the claimant as
11 long as the surviving spouse maintains his or her domicile in
12 the property. The surviving spouse may continue to
13 participate in the tax deferral program in subsequent years
14 provided he or she is eligible under the provisions of this
15 subchapter.

16 § 8556. Preemption.

17 This subchapter preempts any local or state regulation or law
18 that provides for the deferral of real estate taxes for elderly
19 homeowners or that is in anyway inconsistent with this
20 subchapter.

21 Section 3. The following acts and parts of acts are repealed
22 insofar as they are inconsistent with this act:

23 (1) The act of May 16, 1923 (P.L.207, No.153), entitled
24 "An act providing when, how, upon what property, and to what
25 extent, liens shall be allowed for taxes and for municipal
26 improvements, for the removal of nuisances, and for water
27 rents or rates, sewer rates, and lighting rates; for the
28 procedure upon claims filed therefor; the methods for
29 preserving such liens and enforcing payment of such claims;
30 the effect of judicial sales of the properties liened; the

1 distribution of the proceeds of such sales, and the
2 redemption of the property therefrom; for the lien and
3 collection of certain taxes heretofore assessed, and of
4 claims for municipal improvements made and nuisances removed,
5 within six months before the passage of this act; and for the
6 procedure on tax and municipal claims filed under other and
7 prior acts of Assembly."

8 (2) The act of June 23, 1931 (P.L.932, No.317), known as
9 the Third Class City Code.

10 (3) The act of July 7, 1947 (P.L.1368, No.542), known as
11 the Real Estate Tax Sale Law.

12 (4) The act of June 28, 1967 (P.L.122, No.32), entitled
13 "An act authorizing and empowering city treasurers of cities
14 of the second class A to sell at public sale, lands or real
15 estate upon which the taxes, assessed and levied by the city,
16 are delinquent and unpaid; fixing the interests of all taxing
17 authorities where such lands are purchased by the city;
18 providing for the distribution of moneys received as income
19 from or resale of such lands; and providing for a method of
20 reselling such lands purchased, by the city, or by the city
21 at any sale for the nonpayment of taxes, free and clear of
22 all mortgages, ground rents, interest in or claims against
23 said lands; authorizing an agreement between cities of the
24 second class A purchasing property at treasurer's sales and
25 all other taxing authorities having an interest in such lands
26 with respect to the distribution of rents, income and the
27 proceeds of the resale of such lands."

28 (5) The act of October 11, 1984 (P.L.876, No.171), known
29 as the Second Class City Treasurer's Sale and Collection Act.

30 (6) Any and all other acts.

1 Section 4. This act shall take effect in 60 days.