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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1286 Session of  
2021

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INTRODUCED BY MASSER, SCHWEYER, HILL-EVANS, PICKETT, RYAN,  
MILLARD, ROWE, SAINATO, WHEELAND AND SCHLEGEL CULVER,  
APRIL 27, 2021

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REFERRED TO COMMITTEE ON FINANCE, APRIL 27, 2021

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AN ACT

1 Amending the act of June 27, 2006 (1st Sp.Sess., P.L.1873,  
2 No.1), entitled "An act providing for taxation by school  
3 districts, for the State funds formula, for tax relief in  
4 first class cities, for school district choice and voter  
5 participation, for other school district options and for a  
6 task force on school cost reduction; making an appropriation;  
7 prohibiting prior authorized taxation; providing for  
8 installment payment of taxes; restricting the power of  
9 certain school districts to levy, assess and collect taxes;  
10 and making related repeals," in senior citizens property tax  
11 and rent rebate assistance, further providing for  
12 definitions.

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

15 Section 1. The definition of "income" in section 1303 of the  
16 act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as  
17 the Taxpayer Relief Act, is amended and the section is amended  
18 by adding a definition to read:

19 Section 1303. Definitions.

20 The following words and phrases when used in this chapter  
21 shall have the meanings given to them in this section unless the  
22 context clearly indicates otherwise:

1 \* \* \*

2 "Income." All income from whatever source derived,  
3 including, but not limited to:

4 (1) Salaries, wages, bonuses, commissions, income from  
5 self-employment, alimony, support money, cash public  
6 assistance and relief.

7 (2) The gross amount of any pensions or annuities,  
8 including railroad retirement benefits for calendar years  
9 prior to 1999 and 50% of railroad retirement benefits for  
10 calendar years 1999 and thereafter.

11 (3) (i) All benefits received under the Social Security  
12 Act (49 Stat. 620, 42 U.S.C. § 301 et seq.), except  
13 Medicare benefits, for calendar years prior to 1999, and  
14 50% of all benefits received under the Social Security  
15 Act, except Medicare benefits, for calendar years 1999  
16 and thereafter.

17 (ii) Notwithstanding any other provision of this act  
18 to the contrary, persons who, as of December 31, 2012,  
19 are eligible for the property tax or rent rebate shall  
20 remain eligible if the household income limit is exceeded  
21 due solely to a Social Security cost-of-living  
22 adjustment.

23 (iii) Eligibility in the property tax and rent  
24 rebate program pursuant to subparagraph (ii) shall expire  
25 on December 31, 2016.

26 (iv) Social Security substitute pensions for  
27 calendar years prior to 2021 and 50% of Social Security  
28 substitute pensions for calendar years 2021 and  
29 thereafter. The amount of a Social Security substitute  
30 pension shall not exceed the maximum Federal old age and

1 survivor benefit payments, less any Federal old age and  
2 survivor benefit payments received under the Social  
3 Security Act for employment covered under the Social  
4 Security Act.

5 (4) All benefits received under State unemployment  
6 insurance laws.

7 (5) All interest received from the Federal or any state  
8 government or any instrumentality or political subdivision  
9 thereof.

10 (6) Realized capital gains and rentals.

11 (7) Workers' compensation.

12 (8) The gross amount of loss of time insurance benefits,  
13 life insurance benefits and proceeds, except the first \$5,000  
14 of the total of death benefit payments.

15 (9) Gifts of cash or property, other than transfers by  
16 gift between members of a household, in excess of a total  
17 value of \$300.

18 The term does not include surplus food or other relief in kind  
19 supplied by a governmental agency, property tax or rent rebate,  
20 inflation dividend, Federal veterans' disability payments or  
21 State veterans' benefits.

22 \* \* \*

23 "Social Security substitute pension." A pension that is  
24 provided in lieu of old age and survivor benefit payments under  
25 the Social Security Act to a person whose employment was not  
26 covered under the Social Security Act.

27 \* \* \*

28 Section 2. This act shall take effect immediately.