

Legislation Text

File #: 120339, **Version:** 1

Amending Title 19 of The Philadelphia Code, by adding a new Chapter 19-2900A, entitled “Special Real Estate Tax Provisions for Low Income Taxpayers,” providing for credits against real estate tax for certain low income taxpayers, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 19 of The Philadelphia Code is amended to read as follows:

TITLE 19. FINANCE, TAXES AND COLLECTIONS

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CHAPTER 19-2900A. SPECIAL REAL ESTATE TAX PROVISIONS FOR LOW INCOME TAXPAYERS

§ 19-2901A. Definitions. As used in this Chapter, the following definitions shall apply:

(1) “Income.” All moneys or property (including interest, gains or income derived from obligations which are statutorily free from State or local taxation under any act of the General Assembly of the Commonwealth of Pennsylvania or under the laws of the United States) received of whatever nature and from whatever source derived, but not including (i) periodic payments for sickness and disability other than regular wages received during a period of sickness or disability; or (ii) disability, retirement or other payments arising under workmen's compensation acts, occupational disease acts and similar legislation by any government; or (iii) payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of employment; or (iv) payments commonly known as public assistance or unemployment compensation payments by any governmental agency; or (v) payments to reimburse actual expenses; or (vi) payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, strike benefits, Social Security and retirement; or (vii) any compensation received by United States servicemen serving in a combat zone.

(2) “Married.” A married couple who file joint State tax returns and who did not live apart at all times during the last six months of the taxable year and are not separated pursuant to a written separation agreement.

§ 19-2902A. Credit available.

(1) If the income of the record owner of property during an entire taxable year is within a range set forth in Column A or B below, any real estate tax imposed on such property pursuant to Chapter 19-1300 or Section 19-1801 shall be subject to a credit calculated by multiplying (a) the amount of real estate tax otherwise due under Chapter 19-1300 or Section 19-1801, as adjusted by any applicable discounts, refunds or

forgiveness provided for under this Title; by (b) the applicable percentage set forth in Column C below. For each dependent of the record owner, the applicable income threshold in Column A or B shall be increased by nine thousand five hundred dollars (\$9,500).

| <i>Column A</i> | <i>Column B</i> | <i>Column C</i> |
|---------------------------|-------------------------------|--------------------------|
| <i>Unmarried</i> | <i>Married (joint income)</i> | <i>Percentage credit</i> |
| <i>\$0 to \$6,500</i> | <i>\$0 to \$13,000</i> | <i>50%</i> |
| <i>\$6,501 to \$7,500</i> | <i>\$13,001 to \$14,000</i> | <i>40%</i> |
| <i>\$7,501 to \$8,750</i> | <i>\$14,001 to \$15,250</i> | <i>30%</i> |

§ 19-2903A. Regulations and construction.

(1) The Department shall establish reasonable application deadlines and such other regulations as are necessary for implementation of this Chapter.

(2) This Chapter shall be construed in accord with the state law provisions for refund and forgiveness of Commonwealth taxes based on poverty income set forth in Section 304 of the Tax Reform Code of 1971 (Act of March 4, 1971, P.L. 6, No. 2), as added by the Act of March 13, 1974 (P.L. 179, No. 32), 72 P.S. § 7304, as amended from time to time.

Explanation:

Italics indicate new matter added.