

§ 4751-1. Short title

This act shall be known and may be cited as the "Senior Citizens Rebate and Assistance Act."

§ 4751-2. Declaration of policy

In recognition of the severe economic plight of certain senior citizens, widows, widowers and permanently disabled persons who are real property owners or renters with fixed and limited incomes who are faced with rising living costs and constantly increasing tax and inflation cost burdens which threaten their homesteads and self-sufficiency, the General Assembly, pursuant to the mandates of the Constitutional Convention of 1968, considers it to be a matter of sound public policy to make special provisions for property tax rebates or rent rebates in lieu of property taxes and inflation dividends to that class of senior citizens, widows, widowers and permanently disabled persons who are real property taxpayers or renters who are without adequate means of support to enable them to remain in peaceable possession of their homes and relieving their economic burden and to provide transportation assistance grants and to provide grants to area agencies on aging for services to older persons.

§ 4751-3. Definitions

As used in this act:

(1) "Income" means all income from whatever source derived, including but not limited to salaries, wages, bonuses, commissions, income from self-employment, alimony, support money, cash public assistance and relief, the gross amount of any pensions or annuities including railroad retirement benefits for calendar years prior to 1999, and fifty per cent of railroad retirement benefits for calendar years 1999 and thereafter, all benefits received under the Federal Social Security Act [FN1] (except Medicare benefits) for calendar years prior to 1999, and fifty per cent of all benefits received under the Federal Social Security Act (except Medicare benefits) for calendar years 1999 and thereafter, all benefits received under State unemployment insurance laws and veterans' disability payments, all interest received from the Federal or any State government, or any instrumentality or political subdivision thereof, realized capital gains, rentals, workmen's compensation and the gross amount of loss of time insurance benefits, life insurance benefits and proceeds (except the first five thousand dollars (\$5,000) of the total of death benefit payments), and gifts of cash or property (other than transfers by gift between members of a household) in excess of a total value of three hundred dollars (\$300), but shall not include surplus food or other relief in kind supplied by a governmental agency or property tax or rent rebate or inflation dividend.

(2) "Household income" means all income received by the claimant and his spouse while residing in the homestead during the calendar year for which a rebate and dividend are claimed.

(3) "Homestead" means a dwelling, whether owned or rented, and so much of the land surrounding it, as is reasonably necessary for use of the dwelling as a home, occupied by a claimant. A homestead shall also include premises occupied by reason of ownership or lease in a cooperative housing corporation, mobile homes which are assessed as realty for local property tax purposes and the land, if owned or rented by the claimant, upon which the mobile home is situated, and other similar living accommodations, as well as a part of a multi-dwelling or multi-purpose building and a part of the land upon which it is built. It shall also include premises occupied by reason of the claimant's ownership or rental of a dwelling located on land owned by a

nonprofit incorporated association, of which the claimant is a member, if the claimant is required to pay a pro rata share of the property taxes levied against the association's land. It shall also include premises occupied by a claimant if he is required by law to pay a property tax by reason of his ownership or rental (including a possessory interest) in the dwelling, the land, or both. An owner includes a person in possession under a contract of sale, deed of trust, life estate, joint tenancy or tenancy in common or by reason of statutes of descent and distribution.

(4) "Real property taxes" means all taxes on a homestead (exclusive of municipal assessments, delinquent charges, and interest) due and payable during a calendar year.

(5) "Rent rebate in lieu of property taxes" means twenty per cent of the gross amount actually paid in cash or its equivalent in any calendar year to a landlord in connection with the occupancy of a homestead by a claimant, irrespective of whether such amount constitutes payment solely for the right of occupancy or otherwise.

(6) "Inflation dividend" means an additional amount calculated by the department in accordance with [subsection \(a.2\) of section 4](#). [FN2]

(7) "Claimant" means a person who files a claim for property tax rebate or rent rebate in lieu of property taxes and inflation dividend and was sixty-five years of age or over, or whose spouse (if a member of the household) was sixty-five years of age or over, during a calendar year in which real property taxes, rent and inflation costs were due and payable or was a widow or widower and was fifty years of age or over during a calendar year or part thereof in which real property taxes, rent and inflation costs were due and payable, or was a permanently disabled person eighteen years of age or over during a calendar year or part thereof in which real property taxes, rent and inflation costs were due and payable. For the purposes of this act the term "widow" or "widower" shall mean the surviving wife or the surviving husband, as the case may be, of a deceased individual and who has not remarried except as provided in subsection (c) and (d) of section 4 of this act. For the purposes of this act the term "permanently disabled person" shall mean a person who is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to continue indefinitely, except as provided in subsection (c) and (d) of section 4 of this act.

(8) "Department" means the Department of Revenue.

(9) "Inflation expenses" means the additional costs of those essential consumer needs of senior citizens in the Commonwealth. Those inflation expenses include but are not limited to the additional cost of medical prescriptions, energy needs, transportation and food and clothing essentials.

[FN1] [42 U.S.C.A. § 1301](#) et seq.

[FN2] [72 P.S. § 4751-4](#).

§ 4751-4. Property tax; rent rebate and inflation cost

(a) Deleted.

(a.1)(1) The amount of any claim for property tax rebate or rent rebate in lieu of property taxes for real

property taxes or rent due and payable during calendar years 1981, 1982, 1983 and 1984 shall be determined in accordance with the following schedule:

Household Income	Percentage of Real Property Taxes or Rent Rebate in Lieu of Property Taxes Allowed as Rebate
\$ 0 - \$4,999	100%
5,000 - 5,999	80
6,000 - 6,999	60
7,000 - 7,999	40
8,000 - 8,999	20
9,000 - 11,999	10

(2) The amount of any claim for property tax rebate or rent rebate in lieu of property taxes for real property taxes or rent due and payable during calendar year 1985 and thereafter shall be determined in accordance with the following schedule:

Household Income	Percentage of Real Property Taxes or Rent Rebate in Lieu of Property Taxes Allowed as Rebate
\$ 0 - \$4,999	100%
5,000 - 5,499	100
5,500 - 5,999	90
6,000 - 6,499	80
6,500 - 6,999	70
7,000 - 7,499	60
7,500 - 7,999	50
8,000 - 8,499	40
8,500 - 8,999	35
9,000 - 9,999	25
10,000 - 11,999	20
12,000 - 12,999	15
13,000 - 15,000	10

(a.2) (1) To all claimants eligible for a property tax or rent rebate pursuant to subsection (a.1)(1) there shall be paid an inflation dividend determined in accordance with the following schedule:

Household Income	Dividend
\$ 0 - 4,999	\$125
5,000 - 5,999	100
6,000 - 6,999	75
7,000 - 7,999	60
8,000 - 8,999	45
9,000 - 11,999	30

(2) To all claimants eligible for a property tax or rent rebate pursuant to subsection (a.1)(2) there shall be paid an inflation dividend determined in accordance with the following schedule:

	Household Income	Dividend
\$	0 - 4,999	\$125
	5,000 - 5,499	100
	5,500 - 5,999	100
	6,000 - 6,499	75
	6,500 - 6,999	
	7,000 - 7,499	60
	7,500 - 7,999	60
	8,000 - 8,499	45
	8,500 - 8,999	45
	9,000 - 9,999	30
	10,000 - 11,999	30
	12,000 - 12,999	30
	13,000 - 15,000	20

(a.3) To all claimants eligible for a property tax or rent rebate for real property taxes or rent due and payable during calendar year 1980 there shall be paid one hundred dollars (\$100) as an additional inflation dividend. The additional inflation dividend payment shall be mailed no later than the mailing of the application form for claiming a 1981 property tax or rent rebate.

(b) No claim shall be allowed if the amount of property tax or rent rebate computed in accordance with this section is less than ten dollars (\$10), and the maximum amount of property tax or rent rebate payable shall not exceed five hundred dollars (\$500).

(c) No claim shall be allowed if the claimant is a tenant of an owner of real property exempt from real property taxes.

(d) If a homestead is owned or rented and occupied for only a portion of a year or is owned or rented in part by a person who does not meet the qualifications for a claimant, exclusive of any interest owned or leased by a claimant's spouse, or if the claimant is a widow or widower who remarries, or if the claimant is a permanently disabled person who is no longer disabled, the department shall apportion the real property taxes or rent in accordance with the period or degree of ownership or leasehold or eligibility of the claimant in determining the amount of rebate for which a claimant is eligible. A claimant who receives public assistance from the Department of Public Welfare shall not be eligible for rent rebate in lieu of property taxes, or an inflation dividend during those months within which he receives public assistance.

(e) Rent shall not include subsidies provided by or through a governmental agency.

§ 4751-5. Filing of claim

A claim for property tax or rent rebate and inflation dividend shall be filed with the department on or before the thirtieth day of June of the year next succeeding the end of the calendar year in which real property taxes or rent were due and payable: Provided, That claims filed after the June 30 deadline until December 31 of such calendar year shall be accepted by the Secretary of Revenue as long as funds are available to pay the benefits to the late filing claimants. No reimbursement on a claim shall be made from the State Lottery Fund earlier than the day following the thirtieth day of June provided in this act on which that claim may be filed with the department. Rebate claims for taxes or rent paid during calendar year 1977 shall be accepted by the Secretary of Revenue if filed with the department on or before the thirtieth day of April 1979. Only one claimant from a homestead each year shall be entitled to the property tax or rent rebate and inflation dividend. If two or more

persons are able to meet the qualifications for a claimant, they may determine who the claimant shall be. If they are unable to agree, the department shall determine to whom the rebate and dividend is to be paid.

§ 4751-6. Proof of claim

Each claim shall include reasonable proof of household income, the size and nature of the property claimed as a homestead and the rent or tax receipt, or other proof that the real property taxes on the homestead have been paid, or rent in connection with the occupancy of a homestead has been paid. If the claimant is a widow, or widower, a declaration of such status in such manner as prescribed by the Secretary of Revenue shall be included. Proof that a claimant is eligible to receive disability benefits under the Federal Social Security Act [FN1] shall constitute proof of disability under this act. No person who has been found not to be disabled by the social security administration shall be granted a rebate or dividend under this act. A claimant not covered under the Federal Social Security Act shall be examined by a physician designated by the department and such status determined using the same standards used by the social security administration. It shall not be necessary that such taxes or rent were paid directly by the claimant: Provided, That the rent or taxes have been paid when the claim is filed. The first claim filed shall include proof that the claimant or his spouse was age sixty-five or over or fifty years or over in the case of a widow, or widower, during the calendar year in which real property taxes or rent were due and payable.

[FN1] [42 U.S.C.A. § 1301](#) et seq.

§ 4751-7. Incorrect claim

Whenever on audit of any claim, the department finds the claim to have been incorrectly determined, it shall redetermine the correct amount of the claim and notify the claimant of the reason of the redetermination and the amount of the corrected claim.

§ 4751-8. Funds for Payment of Claims

Approved claims shall be paid from the State Lottery Fund established by the act of August 26, 1971 (P.L. 351, No. 91), [FN1] known as the "State Lottery Law."

[FN1] [72 P.S. § 3761-1](#) et seq.

§ 4751-9. Claim forms and rules and regulations

Necessary rules and regulations shall be prescribed by a committee consisting of the Secretaries of Aging, Revenue and Community Affairs. The Secretary of Aging shall serve as the chairman of the committee. The Department of Revenue shall receive all applications, determine the eligibility of claimants, hear appeals, disburse payments, and make available suitable forms for the filing of claims.

§ 4751-10. Fraudulent claim; conveyance to obtain benefits

In any case in which a claim is excessive and was filed with fraudulent intent, the claim shall be disallowed in full and a penalty of twenty-five per cent of the amount claimed shall be imposed. The penalty and the amount of the disallowed claim, if the claim has been paid, shall bear interest at the rate of one-half of one per cent per

month from the date of the claim until repaid. The claimant and any person who assisted in the preparation or filing of a fraudulent claim shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding one thousand dollars (\$1,000), or undergo imprisonment not exceeding one year, or both.

A claim shall be disallowed if the claimant received title to the homestead primarily for the purpose of receiving property tax rebate.

§ 4751-11. Repealed. 1973, Dec. 5, No. 136, § 2

§ 4751-11.1. Petition for redetermination

Any claimant whose claim is either denied, corrected or otherwise adversely affected by the department, may file with the department a petition for redetermination on forms supplied by the department within ninety days after the date of mailing of written notice by the department of such action. Such petition shall set forth the grounds upon which claimant alleges that such departmental action is erroneous or unlawful, in whole or part, and shall contain an affidavit or affirmation that the facts contained therein are true and correct. An extension of time for filing the petition may be allowed for cause but not to exceed one hundred twenty days. The department shall hold such hearings as may be necessary for the purpose of redetermination, and each claimant who has duly filed such petition for redetermination shall be notified by the department of the time when, and the place where, such hearing in his case will be held.

It shall be the duty of the department, within six months after receiving a filed petition for redetermination, to dispose of the matters raised by such petition and mail notice of the department's decision to the claimant.

§ 4751-11.2. Review by Board of Finance and Revenue

Within ninety days after the date of official receipt by the claimant of notice mailed by the department of its decision on any petition for redetermination filed with it, the claimant who is adversely affected by such decision may by petition request the Board of Finance and Revenue to review such action. The failure of the department to officially notify the claimant of a decision within the six-months period provided for by section 11.1 [FN1] shall act as a denial of such petition, and a petition for review may be filed with the Board of Finance and Revenue within one hundred twenty days after written notice is officially received by the claimant that the department has failed to dispose of the petition within the six-months period prescribed by section 11.1. Every petition for redetermination filed hereunder shall state the reasons upon which the claimant relies, or shall incorporate by reference the petition for redetermination in which such reasons shall have been stated. The petition shall be supported by affidavit that the facts set forth therein are correct and true. The Board of Finance and Revenue shall act in disposition of such petitions filed with it within six months after they have been received, and in the event of failure of said board to dispose of any such petition within six months, the action taken by the department upon the petition for redetermination shall be deemed sustained. The Board of Finance and Revenue may sustain the action taken by the department on the petition for redetermination or it may take such other action as it shall deem is necessary and consistent with provisions of this act. Notice of the action of the Board of Finance and Revenue shall be given by mail to the department and to the claimant.

[FN1] 72 P.S. § 4751-11.1.

§ 4751-11.3. Appeal

Any claimant, aggrieved by the decision of the Board of Finance and Revenue may appeal from the decision of the Board of Finance and Revenue, in the manner now or hereafter provided by law for appeals from decisions of said board in tax cases.

§ 4751-11.4. Grants to area agencies on aging for services to older persons

For fiscal year 1981-1982 six million two hundred thousand dollars (\$6,200,000) is hereby appropriated from the Lottery Fund to the Department of Aging for service grants to area agencies on aging. The department shall allocate these funds to area agencies on aging on the basis of each agency's proportionate share of all State and Federal Funds currently available. Such funds shall not be used for costs of administration.

§ 4751-11.5. Repealed. 1982, Dec. 15, P.L. 1288, No. 291, § 6, imd. effective

§ 4751-12. Effective date

This act shall take effect immediately, applicable to tax years beginning January 1, 1971, and thereafter.

§ 4751-21. Construction

This act shall be construed to authorize the governing bodies of cities of the first class to provide by ordinance for the implementation of the special tax provisions contained in this act which allow for the refund or forgiveness of real property tax liability of certain low-income senior citizens attributable to real property tax rate increases and increases in the assessed value of the low-income senior citizen's homestead, thereby implementing [section 2\(b\)\(ii\) of Article VIII of the Constitution of Pennsylvania](#).

§ 4751-22. Declaration of policy

(1) In recognition of the powers contained in [section 2\(b\)\(ii\) of Article VIII of the Constitution of Pennsylvania](#) which provides therein for the establishing as a class or classes of subjects of taxation the property or privileges of persons who, because of poverty or age, are determined to be in need of special tax provisions, it is the legislative intent and purpose of this act to implement the powers under such constitutional provision by establishing special tax provisions for a class of persons within cities of the first class as provided in this act.

(2) Having determined that there are persons within cities of the first class of this Commonwealth whose incomes are such that the governing bodies of cities of the first class may decide that the imposition of the full amount of real estate taxes on these persons deprives them and their dependents of the bare necessities of life and having further determined that poverty is a relative concept inextricably joined with actual income, the number of persons dependent upon such income and the unlikelihood of a taxpayer being able by reason of age to increase that income it is deemed to be a matter of public policy to provide special tax provisions for that class of persons designated in this act within cities of the first class to enable governing bodies of cities of the first class to by ordinance relieve their economic burden.

§ 4751-23. Definitions

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

"Dependent." A child who derives more than one-half of the child's total support during the entire taxable year from a taxpayer eligible for the special tax provisions of this act. Any person who is a dependent pursuant to the provisions of the Internal Revenue Code of 1986 (Public Law 99-514, [26 U.S.C. § 1](#) et seq.) during a taxable year shall prima facie be deemed a dependent for the purpose of this act.

"Homestead." A dwelling used as a home, occupied by a taxpayer as a primary residence. The term includes, but is not limited to, mobile homes which are assessed as realty for local property tax purposes and the land upon which the mobile home is situated and other similar living accommodations as well as a part of a multidwelling or multipurpose building and a part of the land upon which it is built to the extent that the eligible taxpayer is chargeable by a city of the first class for property taxes. The term also includes, but is not limited to, premises occupied by an eligible taxpayer if he is required by law to pay a property tax by reason of his ownership or rental of, including a possessory interest in, the dwelling, the land or both. The term "by law" shall not be deemed to include a contractual obligation between the eligible taxpayer and a person who would otherwise be responsible to a city of the first class for the payment of the tax. An owner includes a person in possession under contract of sale, deed of trust, life estate, joint tenancy or tenancy in common.

"Income." All income from whatever source derived, including, but not limited to, salaries, wages, bonuses, commissions, income from self-employment, alimony, support money, cash public assistance and relief, the net amount of any pensions or annuities, including railroad retirement benefits, all benefits received under the Social Security Act (49 Stat. 620, [42 U.S.C. § 301](#) et seq.), except Medicare benefits, all benefits received under State employment insurance laws and veterans' disability payments, all interest received from the Federal or any state government, or any instrumentality or political subdivision thereof, realized capital gains, net income from rentals, workers' compensation and the gross amount of loss of time insurance benefits, life insurance benefits and proceeds, except the first \$10,000 of the total of death benefit payment, and gifts of cash or property, other than transfers by gift between members of a household, in excess of a total value of \$500, but shall not include surplus food or other relief in kind supplied by a governmental agency or property tax rebate.

"Low-income taxpayer." A taxpayer whose income does not exceed the maximum annual income allowable for an eligible claimant to participate in the Commonwealth's program for pharmaceutical assistance for the elderly, pursuant to the act of August 14, 1991 (P.L. 342, No. 36), [FN1] known as the Lottery Fund Preservation Act.

"Poverty." An economic condition wherein the total amount of household income is insufficient to adequately provide the taxpayer, the taxpayer's spouse and dependent children with the necessities of life. For the purpose of determining eligibility for the tax exemptions and special tax provisions of this act, a taxpayer is deemed to be living at the poverty level if the taxpayer meets the low-income provisions defined under this act.

"Real estate taxes." All taxes on a homestead imposed or authorized to be imposed for cities of the first class and school districts of the first class.

"Senior citizen." A taxpayer who is 65 years of age or older or whose spouse, if a member of the household, is 65 years of age or older during a calendar year in which real property taxes are due and payable or was a widow or widower of someone who was 65 years of age or older and was 50 years of age or older during a calendar year or part thereof in which real estate taxes were due and payable. The term "widow" or "widower" shall mean the surviving wife or the surviving husband, as the case may be, of a deceased individual who has not remarried.

"Special tax provision." The standards and qualifications provided under this act to establish the eligibility for and the refund or forgiveness of a portion of the taxpayer's real estate tax liability.

[FN1] [72 P.S. § 3762-101](#) et seq.

§ 4751-24. Special tax provisions; refund or forgiveness of real estate taxes

(a) General rule.--Any taxpayer within a city of the first class who meets the standards and qualifications established by this act shall be deemed a separate class of subjects of taxation, and, as such, each governing body of a city of the first class may by ordinance provide that such taxpayers shall be entitled to the benefit of the special tax provisions of this act.

(b) Refund or forgiveness of real estate taxes.--Pursuant to the provisions of such ordinance, eligible taxpayers shall be entitled to a refund or forgiveness which have been paid over to or would, except for the provisions of this act, be payable to cities of the first class and school districts of the first class for real estate taxes authorized or imposed for city and school district purposes in accordance with the following provisions:

(1) Low-income senior citizens taxpayers shall be entitled to receive refunds or forgiveness of that part of their real estate tax liability attributable to any real estate tax rate increase or an increase in the assessed value of the taxpayer's homestead occurring after the effective date of any ordinance implementing this act.

(2) In the event that a taxpayer who had previously been eligible to receive refunds or forgiveness of taxes as authorized by this act is no longer eligible by reason of failing to meet the low-income requirement provided under this act, the taxpayer shall be billed and shall pay real estate taxes at the then current real estate tax rate and assessed value. If for subsequent tax years a taxpayer reestablishes eligibility for refunds or forgiveness of real estate taxes by again meeting the low-income requirements provided under this act, the amount of real estate taxes that the taxpayer is eligible to have refunded or forgiven is that part of their real estate tax liability attributable to any real estate tax rate increase or an increase in the assessed value of the taxpayer's homestead occurring no earlier than the calendar year prior to the tax year for which the taxpayer reestablishes eligibility.

(3) The maximum amount of real estate taxes which may be refunded or forgiven may be limited by ordinance.

(4) If a homestead is owned for only a portion of a year or is owned in part by a person who is not a low-income taxpayer, the tax collector shall apportion the real estate taxes in accordance with the period or portion of ownership of the eligible taxpayer in determining the amount of refund or forgiveness for which a taxpayer is eligible.

§ 4751-25. Application; proof of claim

(a) Application.--Any person desiring to take advantage of the special tax provisions pursuant to ordinance adopted under this act shall notify each city of the first class granting the special tax provisions in writing on a form provided by it submitted at the time provided in the ordinance or regulation. Only one taxpayer for each homestead shall be entitled to the real estate tax refund or forgiveness of taxes. If two or more persons residing at any homestead meet the qualification for a real estate tax refund or forgiveness of taxes, they may determine among themselves who shall receive the refund or forgiveness of taxes. If they are unable to agree, each city of the first class shall determine to whom the refund or forgiveness of taxes is to apply.

(b) Proof of claim.--Each application shall include reasonable proof of household income, the location and nature of the property claimed as a homestead and the tax bill or receipt for the real estate taxes owed or paid in connection with the occupancy of the homestead. It shall not be necessary that real estate taxes are paid directly by the taxpayer. The first application filed shall include proof that the taxpayer or the taxpayer's spouse is or will be 65 years of age or older during the calendar year in which real estate taxes are due and payable.

§ 4751-26. Administration and enforcement

Each city of the first class shall provide by ordinance, rule or regulation for the administration and enforcement of any ordinance adopted pursuant to this act as is provided by law.