

[Home](#) / Senate Co-Sponsorship Memoranda

## Senate Co-Sponsorship Memoranda

### Senate of Pennsylvania Session of 2017 - 2018 Regular Session

#### MEMORANDUM

**Posted:** January 5, 2017 04:01 PM  
**From:** [Senator David G. Argall](#) and [Sen. Mike Folmer](#), [Sen. Judith L. Schwank](#), [Sen. John T. Yudichak](#), [Sen. Mario M. Scavullo](#), [Sen. Scott Wagner](#), [Sen. Lisa M. Boscola](#), [Sen. Andrew E. Dinniman](#)  
**To:** All Senate members  
**Subject:** Property Tax Independence Act

Our constituents have told us loud and clear – from town hall meetings to the ballot box – the school property tax is the most-hated and egregious tax. While the school property tax may have made sense when it was first enacted in the 1830s, we believe it is time to shift to a fairer way to fund our public schools.

On behalf of 80+ grassroots taxpayer advocacy groups across the Commonwealth, we will re-introduce the bipartisan Property Tax Independence Act. This legislation will be similar to [Senate Bill 76 of 2015](#).

The legislation would eliminate school property taxes and shift to an increased Personal Income Tax (PIT) and an increased and expanded Sales and Use Tax (SUT).

The new revenue sources would replace dollar-for-dollar the revenues lost by the school property tax elimination.

School districts would continue to collect the property tax until June 30, 2017. Each year thereafter, districts would receive their reimbursement from the State Treasury on a quarterly basis with a cost of living adjustment.

A portion of the school property tax would remain only to pay off debt service that is on the books as of December 31, 2016.

Under this proposal, any school district seeking to spend above the allotment from the state would have to ask the voters for their support in a referendum. School districts may locally increase the PIT or Earned Income Tax if approved by the voters in that district.

We believe this is the greatest form of local control – allowing the voters to decide the merits of spending increases.

As one grassroots advocate stated at a public hearing in 2013: No tax shall have the power to leave you homeless. We agree!

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