



The Property Tax Independence Act Pennsylvania State Senate Introduction

On December 14, State Senator David Argall (R-29) announced that he will be introducing the PCTA-supported *Property Tax Independence Act* in the Pennsylvania Senate in January, shortly after the same legislation is introduced in the House of Representatives. The provisions of the Senate bill will be virtually identical to those of the House version, the details of which are at www.ptcc.us. Several Senators from both parties have already agreed to co-sponsor the bill.

Since this is the first time we've had an introduction of identical school property tax elimination legislation in both chambers, this is VERY good news. The PTCC and PCTA thank Senator Argall for his commitment to this effort and for his willingness to help advance this vital legislation.

The Op-Ed feature with Senator Argall's announcement is below.

Op-Ed: Property Tax Elimination Could Promote Home Ownership, Job Growth

By: Senator David G. Argall (R-29)



December 14, 2011

For more than 175 years, Pennsylvania has funded our school districts through property taxes. For as long as I've been alive, it has been among the most universally hated taxes in the Commonwealth. While today's students benefit from state-of-the-art technology in the classroom, it is absurd that taxpayers are stuck with the same school financing model that was used in the days of the one-room schoolhouse and the abacus.

Quite simply, we cannot "fix" or "reform" this archaic tax—That is why I am introducing legislation to offer taxpayers a new education funding model that would promote economic growth in our communities, ensure all Pennsylvania schools receive adequate funding and completely eliminate the school district property tax once and for all.

The Property Tax Independence Act would abolish the property tax on all homesteads, farmsteads and businesses across the Commonwealth. The bill would also eliminate all local Earned Income taxes. The plan would fund public schools by increasing the state sales tax from 6 percent to 7 percent and expanding the sales tax to include more services and purchases. The plan also calls for the creation of a Constitutional amendment that would prohibit the property tax from ever being imposed on state residents again.

Far too many local residents have lost their homes or were forced to sell due to unpaid property taxes or high monthly property tax escrow payments. Eliminating the property tax

burden would help protect these individuals and families and make home ownership more affordable for all Pennsylvanians. In effect, returning the approximately \$10 billion in property taxes to homeowners could act as a stimulus program for our state's economy by boosting a housing market that has been hit hard by this long and terrible recession and attracting businesses that are leery of relocating to a state with a high property tax burden.

Nearly every lawmaker agrees that the property tax is the wrong way to fund our public schools; the biggest roadblock to real property tax reform is a lack of consensus on the right way to fund our public schools. This plan addresses many of the concerns offered by legislators and represents a realistic option for real reform of our broken school funding system. I am hopeful we can build on the efforts of previous property tax reform proposals to finally eliminate this burden on taxpayers.

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