REFERENDUM
ALL VOTING PRECINCTS WITHIN LANCASTER COUNTY

PROPOSED CONSTITUTIONAL AMENDMENT
AMENDING THE HOMESTEAD PROPERTY TAX ASSESSMENT EXCLUSION

Ballot Question

Shall the Pennsylvania Constitution be amended to permit the General Assembly to enact legislation authorizing local taxing authorities to exclude from taxation up to 100 percent of the assessed value of each homestead property within a local taxing jurisdiction, rather than limit the exclusion to one-half of the median assessed value of all homestead property, which is the existing law?

Plain English Statement of the Office of Attorney General

The purpose of the ballot question is to amend Article VIII, Section 2(b)(vi) of the Pennsylvania Constitution to permit the General Assembly to pass a law authorizing local taxing authorities to increase the amount of assessed value of homestead property that may be excluded when determining the real estate tax owed for homestead property. If the ballot question is approved, the General Assembly could then pass a law authorizing local taxing authorities to exclude up to one-hundred percent (100%) of the assessed value of each homestead property when calculating the real estate tax owed on homestead property.

The Pennsylvania Constitution currently permits the General Assembly to pass a law authorizing local taxing authorities to exclude only a portion of the assessed value of homestead property when determining the amount of real estate tax owed. Under current law, the amount of assessed value that may be excluded from taxation cannot exceed one-half the amount of the median assessed value of all homestead property within a local taxing jurisdiction. Local taxing authorities may not increase the millage rate of its real property tax to pay for homestead property exclusions.

The effect of the ballot question would allow the General Assembly to pass a law increasing the amount of assessed value that local taxing authorities may exclude from real estate taxation for homestead property. Currently, local taxing authorities can exclude from taxation only up to one-half the amount of the median assessed value of all homestead property located in the local taxing jurisdiction. But if the ballot question is approved, the General Assembly would have authority to pass a law permitting local taxing authorities to exclude up to one-hundred percent (100%) of the assessed value of each homestead property. Local taxing authorities would continue to be prohibited from increasing the millage rate of its tax on real property to pay for the homestead exclusions.

The ballot question, by itself, does not authorize local taxing authorities to exclude up to one-hundred percent (100%) of the assessed value of each homestead property from real estate taxation. Local taxing authorities could not take such action unless and until the General Assembly passes a law authorizing them to do so. The ballot question authorizes the General Assembly to pass that law.