



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1871 PRINTERS NO. 3620 PRIME SPONSOR: Taylor

COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
General Fund	\$0	See Fiscal Impact

SUMMARY: House Bill 1871, Printer's Number 3620 amends the Pennsylvania Constitution to allow for the city of the first class to impose special tax provisions.

ANALYSIS: HB 1871, PN 3620 amends the Pennsylvania Constitution to allow the city of the first class to impose varying tax rates on real estate based on real estate use. The amendment prohibits the city of the first class and the school district of the first class from increasing the tax rate on business to more than 15% from other real estate subject to tax. The city of the first class shall reduce the aggregate revenue from other taxes imposed on businesses and any wage and net profits tax, by the amount of any tax revenue attributable from the variance.

FISCAL IMPACT: Enactment of this legislation will result in advertising costs to the Commonwealth of approximately \$400,000 to \$800,000 for the required publication of the proposed Constitutional amendments in two newspapers in every county in which newspapers are published.

PREPARED BY: Jenny P. Stratton
House Appropriations Committee (R)

DATE: June 27, 2016

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.