

RESOLUTION 2013-1

CUMBERLAND COUNTY BOARD OF COMMISSIONERS

**RESOLUTION URGING THE GENERAL ASSEMBLY'S CONSIDERATION OF
LEGISLATION GRANTING A REVENUE-NEUTRAL, COUNTY OPTION 1 PERCENT
SALES TAX FOR HOMESTEAD/FARMSTEAD PROPERTY TAX RELIEF**

WHEREAS, it's been over 15 years since Pennsylvania's voters overwhelmingly approved the "homestead exclusion" amendment to our State Constitution in the hopes that it would lead to substantial homeowner property tax relief; and

WHEREAS, except for a modicum of relief from slots gaming, the hope for substantial homeowner property tax relief in most areas of the State has been largely unrealized; and

WHEREAS, it is long past time for Pennsylvania to more fully implement the will of the people, as written into our State Constitution with the "homestead exclusion" on November 4, 1997, and for our State legislature to grant our local jurisdictions new revenue options to relieve, on a dollar for dollar basis, the onerous burden of the inequitable property tax; and

WHEREAS, the property tax, which, unfortunately, remains the principal source of local government finance, does not necessarily have any correlation with a taxpayer's ability to pay or spend, and has been blamed for decades for taxing people out of their homes; and

WHEREAS, a revenue-neutral, county option, 1 percent, or "penny on a dollar," sales tax would represent a broader-based and fairer revenue option to relieve homestead and farmstead property taxes; and

WHEREAS, preliminary estimates indicate that a 1 percent, county-option sales tax in Cumberland County could generate as much as \$42.3 million for homeowner property tax relief which, when divided equally among the County's 60,436 homesteads and farmsteads, would reduce each homeowner's property taxes by \$700 and grant properties that qualify as both a homestead and a farmstead (family farms) a property tax break of up to \$1,400; and

WHEREAS, if adopted by all counties statewide, preliminary estimates indicate that a county option 1 percent sales tax – in addition to what's provided by slots gaming revenues – could generate as much as an additional \$1.4 billion for homeowner property tax relief.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners does hereby respectfully request our County's delegation to the State Senate and State House to sponsor, cosponsor and introduce, into both houses of the General Assembly for the full General Assembly's consideration, the necessary legislation that would grant counties the option of a revenue-neutral 1 percent sales tax for the sole purpose of further implementing the State's "homestead exclusion" constitutional amendment and to further reduce homeowner and farmstead property taxes; and

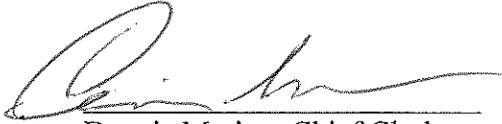
BE IT FURTHER RESOLVED that the legislation be crafted in such a way to maximize utilization of the "homestead exclusion" constitutional amendment, spread out among school, county and municipal property taxes, so that every county homestead and farmstead is the recipient of the same level of tax relief up to a maximum of a qualifying property taxpayer's total liability; and

BE IT FURTHER RESOLVED that the legislation contain specific language to ensure that revenues generated from within a particular county by a county-option 1 percent sales tax, while collected by the State Department of Revenue, be returned to the county in full, minus any agreed upon administrative fee for collection, for the sole purpose of homestead/farmstead property tax relief within the county that imposed the levy; and

BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to each member of Cumberland County's delegation to the State Senate and House, and to his excellency the Governor, to the appropriate chairs and minority chairs of the legislative committees or special committees of interest and jurisdiction, to our commissioner colleagues in surrounding counties and to the County Commissioners Association of Pennsylvania.

ADOPTED THIS 7th DAY OF JANUARY, 2013

ATTEST:

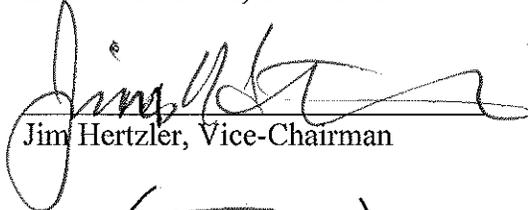


Dennis Marion, Chief Clerk

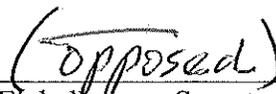
BOARD OF COMMISSIONERS



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