

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

NO. 1
Session of 2023

INTRODUCED BY _____ April 3, 2023

REFERRED TO SENATE FINANCE COMMITTEE

Elimination of School Property Taxes

This legislation would eliminate School Property Taxes for homeowners and replace with increases in other existing taxes as well as expand the list of items subject to the Sales and Use Tax.

A school district of the Commonwealth of Pennsylvania shall not:

- (1) Levy a School Property Tax

The Department of Revenue shall impose:

- (1) An increase of the purchase price on each separate sale at retail of goods or services in the Commonwealth from 6% to 7%; and
- (2) An increase of the tax on personal income from 3.07% to 4%; and
- (3) An increase of the tax on revenues associated with gambling from 8% to 12%.

The Department of Revenue shall levy a tax on each separate sale at retail of goods or services in the Commonwealth that is not included on the exemption list.

The Department of Revenue shall remove the following items from the exemption list and levy a tax on the purchase price on each of the following at each separate sale in the Commonwealth:

- (1) Food;
 - i. Except items on the Women, Infant and Children program food list.
- (2) Clothing and footwear that the original retail price is more than \$50;
- (3) Non-prescription drugs; and
- (4) Professional services.

This act shall take effect in 120 days.