

Just the Facts

Property Tax Independence Act

The proposed Property Tax Independence Act would raise state personal income and sales taxes and expand the sales tax base to reduce school property taxes. Its impact varies depending on where you live. While property taxes would be reduced, not every Pennsylvanian's taxes will be cut. Many will pay MORE.

Reducing school property taxes means the state must fill in the funding gaps for local school districts with

\$14 billion

in higher personal income and sales taxes.

There will be winners and losers

State government will provide nearly all local school district revenue, but not every district ends up a winner.

59%

of school districts will send more money to Harrisburg than they get back in property tax relief.

Property taxes will not go away

Even after paying higher personal income and sales taxes, PA taxpayers in 488 school districts will continue to pay school property taxes on construction and other debt.

43%



of school districts will continue to pay at least 20 percent or more of current school property taxes.

Even federal taxes will rise

Taxpayers will lose a federal tax deduction for property taxes, meaning taxpayers in even more districts will pay more in total state and federal taxes.

Taxpayers in
318 PA districts
will pay more in state and federal taxes.

Individuals fund business breaks

Not all businesses pay personal income taxes, but they will get the same property tax break that individual property owners do. That means that individual taxpayers will pay higher personal income and sales taxes to cover the cost of school property tax relief for businesses.

