

The Impacts of Proposed Property Tax Elimination Legislation

STATE/COUNTY IMPACT	IMPACT in GREAT VALLEY
<p>On average, homeowners in PA will continue to pay about 20% of their school property tax bill. In 24 school districts across the Commonwealth, more than half of the school property tax bill will remain payable by the homeowner.</p>	<p>In the Great Valley School District, nearly 13% of school property taxes would remain collectible, costing the Great Valley community more than \$9 million annually.</p> <p>Taxpayers in Great Valley will continue to pay up to 38% of their total existing property taxes (school, plus county, plus municipal), depending on their municipality.</p>
<p>In Chester County the average median household income is almost \$100,000. The state income tax for that median household will increase by \$1,882.</p>	<p>With a median income of \$100,154, taxpayers in the Great Valley School District would collectively pay an additional \$36 million in personal income tax as a result of the proposed legislation.</p>
<p>The Independent Fiscal Office in Harrisburg estimates that Pennsylvania taxpayers will lose \$600 million in federal deductions as a result of the proposed legislation.</p>	<p>Taxpayers in the Great Valley School District are expected to pay an additional \$2.8 million in federal income taxes as a result of this proposed legislation.</p>
<p>Areas of higher personal income demonstrate a greater capacity for spending and would therefore see a larger impact from the increased tax.</p>	<p>Taxpayers in the Great Valley School District are estimated to pay nearly \$37 million more in Sales and Use Tax under the proposed legislation.</p>
<p>The Independent Fiscal Office in Harrisburg reports that a statewide total of \$2 billion will shift from businesses to individual taxpayers.</p>	<p>Commercial properties comprise 29% of Great Valley's tax base.</p> <p>In the Great Valley School District, nearly \$11 million of the \$19 million in school property taxes paid by businesses would shift to individual taxpayers.</p>
<p>Approximately \$14 billion will shift from local taxes to the state level.</p>	<p>Constituents in Great Valley will pay \$97 million in taxes, with \$29 million exported to school districts outside of Great Valley.</p> <p>Great Valley could see a \$3.7 million gap or more in funding in the 2017-2018 school year.</p>

Sources of Information:

Independent Fiscal Office, Harrisburg, PA
 Pennsylvania Association of School Business Officials (PASBO)