

URI Z. MONSON
SECRETARY
GOVERNOR'S OFFICE OF THE BUDGET

April 15, 2024

Honorable Dr. Khalid N. Mumin Secretary of Education 333 Market Street, 10th Floor Harrisburg, PA 17120

Dear Secretary Mumin:

This certification for the 2024-25 fiscal year marks the seventeenth year of sustained or increased statewide property tax relief for Pennsylvania homeowners. This year, \$1.135 billion will be available for property tax relief, including funding for the enhanced Property Tax and Rent Rebate program. This benefits all homeowners and many senior citizens and individuals with disabilities in the Commonwealth who have come to rely on this relief from year to year. Section 503(a)(1)(iii) of the Taxpayer Relief Act (2006 Special Session #1 Act 1) requires that the Secretary of Budget "shall only certify an amount that is sustainable in subsequent years." This certification is based on a thorough analysis of the most recent economic information and forecasts to ensure that this level of property tax relief is sustainable in subsequent years, as required by law.

In the six months prior to this certification \$632.3 million was deposited into the Property Tax Relief Fund. Based on estimates provided by the Department of Revenue, it is reasonably projected that \$619.7 million will be deposited into the fund in the six months following this certification.

The Property Tax Relief Fund will transfer funds to the Lottery Fund including \$28.4 million to reimburse costs related to supplemental property tax rebates and \$175.6 million for enhancements to the Property Tax and Rent Rebate program.

In addition, \$31 million will be used to reimburse eligible school districts pursuant to Section 324 of the Taxpayer Relief Act. These are known as Sterling Act reimbursements. I also certify that \$900 million will be available for statewide property tax relief.

The Department of Education is hereby authorized to provide school districts with property tax reduction allocations under Section 505 of the Taxpayer Relief Act of 2006. The department is authorized to provide school districts \$900 million for statewide property tax relief as required by

Section 505 of the act and an additional \$31 million to reimburse eligible school districts pursuant to Section 324 of the act, commonly referred to as Sterling Act reimbursements. The Department of Education will notify each Pennsylvania school district of its property tax reduction allocation no later than May 1, as the act requires.

Sincerely,

Uri Z. Monson

Secretary of the Budget