

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 482 Session of
2015

INTRODUCED BY BREWSTER, ARGALL, TEPLITZ, WILLIAMS, MCGARRIGLE,
STEFANO, GORDNER, SCHWANK, WARD, VULAKOVICH, COSTA, WOZNIAK,
RAFFERTY, FARNESE AND YAW, FEBRUARY 13, 2015

SENATOR WAGNER, URBAN AFFAIRS AND HOUSING, AS AMENDED, APRIL
15, 2015

AN ACT

Amending the act of July 7, 1947 (P.L.1368, No.542), entitled, as amended, "An act amending, revising and consolidating the laws relating to delinquent county, city, except of the first and second class and second class A, borough, town, township, school district, except of the first class and school districts within cities of the second class A, and institution district taxes, providing when, how and upon what property, and to what extent liens shall be allowed for such taxes, the return and entering of claims therefor; the collection and adjudication of such claims, sales of real property, including seated and unseated lands, subject to the lien of such tax claims; the disposition of the proceeds thereof, including State taxes and municipal claims recovered and the redemption of property; providing for the discharge and divestiture by certain tax sales of all estates in property and of mortgages and liens on such property, and the proceedings therefor; creating a Tax Claim Bureau in each county, except counties of the first and second class, to act as agent for taxing districts; defining its powers and duties, including sales of property, the management of property taken in sequestration, and the management, sale and disposition of property heretofore sold to the county commissioners, taxing districts and trustees at tax sales; providing a method for the service of process and notices; imposing duties on taxing districts and their officers and on tax collectors, and certain expenses on counties and for their reimbursement by taxing districts; and repealing existing laws," FURTHER PROVIDING FOR THE TITLE OF THE ACT; AND, in sale of property, providing for Optional County Demolition and Rehabilitation Fund.

The General Assembly of the Commonwealth of Pennsylvania

hereby enacts as follows:

~~Section 1. The act of July 7, 1947 (P.L.1368, No.542), known as the Real Estate Tax Sale Law, is amended by adding a section to read:~~

SECTION 1. THE TITLE OF THE ACT OF JULY 7, 1947 (P.L.1368, NO.542), KNOWN AS THE REAL ESTATE TAX SALE LAW, AMENDED SEPTEMBER 26, 1981 (P.L.274, NO.92), IS AMENDED TO READ:

AN ACT

AMENDING, REVISING AND CONSOLIDATING THE LAWS RELATING TO

DELINQUENT COUNTY, CITY, EXCEPT OF THE FIRST AND SECOND CLASS AND SECOND CLASS A, BOROUGH, TOWN, TOWNSHIP, SCHOOL DISTRICT, EXCEPT OF THE FIRST CLASS AND SCHOOL DISTRICTS WITHIN CITIES OF THE SECOND CLASS A, AND INSTITUTION DISTRICT TAXES, PROVIDING WHEN, HOW AND UPON WHAT PROPERTY, AND TO WHAT EXTENT LIENS SHALL BE ALLOWED FOR SUCH TAXES, THE RETURN AND ENTERING OF CLAIMS THEREFOR; THE COLLECTION AND ADJUDICATION OF SUCH CLAIMS, SALES OF REAL PROPERTY, INCLUDING SEATED AND UNSEATED LANDS, SUBJECT TO THE LIEN OF SUCH TAX CLAIMS; THE DISPOSITION OF THE PROCEEDS THEREOF, INCLUDING STATE TAXES AND MUNICIPAL CLAIMS RECOVERED AND THE REDEMPTION OF PROPERTY; PROVIDING FOR THE DISCHARGE AND DIVESTITURE BY CERTAIN TAX SALES OF ALL ESTATES IN PROPERTY AND OF MORTGAGES AND LIENS ON SUCH PROPERTY, AND THE PROCEEDINGS THEREFOR; CREATING A TAX CLAIM BUREAU IN EACH COUNTY, EXCEPT COUNTIES OF THE FIRST AND SECOND CLASS, TO ACT AS AGENT FOR TAXING DISTRICTS; DEFINING ITS POWERS AND DUTIES, INCLUDING SALES OF PROPERTY, THE MANAGEMENT OF PROPERTY TAKEN IN SEQUESTRATION, AND THE MANAGEMENT, SALE AND DISPOSITION OF PROPERTY HERETOFORE SOLD TO THE COUNTY COMMISSIONERS, TAXING DISTRICTS

AND TRUSTEES AT TAX SALES; PROVIDING A METHOD FOR THE SERVICE OF PROCESS AND NOTICES; IMPOSING DUTIES ON TAXING DISTRICTS AND THEIR OFFICERS AND ON TAX COLLECTORS, AND CERTAIN EXPENSES ON COUNTIES AND FOR THEIR REIMBURSEMENT BY TAXING DISTRICTS; PROVIDING FOR AN OPTIONAL COUNTY DEMOLITION AND REHABILITATION FUND IN EACH COUNTY; AND REPEALING EXISTING LAWS.

SECTION 2. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

Section 631. Optional County Demolition and Rehabilitation Fund.--(a) ~~Each~~ A county of the first, second, second class A, third, fourth, fifth, sixth, seventh and eighth class and home rule charter county of these classes that imposes the fee authorized under subsection (b) shall, BY ORDINANCE, establish a county demolition and rehabilitation fund.

(b) The governing body of ~~the~~ A county may, by ~~resolution or ordinance,~~ authorize the tax claim bureau of that county to charge and collect a fee not to exceed ten per centum (10%) for each property sold at tax sale. The fee raised shall be deposited into the Optional County Demolition and Rehabilitation Fund to be used exclusively for the demolition or rehabilitation, or both, of dilapidated buildings on blighted property situate in the county. ORDINANCE, IMPOSE A FEE NOT TO EXCEED TEN PER CENTUM (10%) OF THE PURCHASE PRICE OF A PROPERTY SOLD FOR DELINQUENT TAXES IN ACCORDANCE WITH THIS ACT OR ANY OTHER LAW. THE BUREAU, TAXING DISTRICT OR OTHER GOVERNMENT ENTITY CONDUCTING THE SALE OF THE PROPERTY SHALL DETERMINE THE AMOUNT OF THE FEE BASED ON THE FINAL PURCHASE PRICE AND COLLECT IT AT THE TIME OF SALE FROM THE BUYER AS A CONDITION OF CONVEYING TITLE TO THE PROPERTY. THE FEE RAISED SHALL BE

DEPOSITED INTO A FUND ESTABLISHED UNDER SUBSECTION (A).

(C) AN ORDINANCE ESTABLISHING A FUND UNDER SUBSECTION (A) SHALL INCLUDE ALL OF THE FOLLOWING:

(1) THE METHOD OF CUSTODY, DIVESTITURE, DISBURSEMENT AND APPLICATION OF MONEYS DEPOSITED INTO THE FUND CONSISTENT WITH THE LAWS OF THIS COMMONWEALTH AND GENERALLY ACCEPTABLE ACCOUNTING PRINCIPLES.

(2) THE MANNER OF NOTIFYING THE BUREAU, TAXING DISTRICT OR ANY OTHER GOVERNMENT ENTITY CONDUCTING THE SALE OF A PROPERTY FOR DELINQUENT TAXES THAT A FUND UNDER SUBSECTION (A) HAS BEEN ESTABLISHED AND THAT THE FEE IMPOSED UNDER SUBSECTION (B) SHALL BE COLLECTED AND DEPOSITED IN ACCORDANCE WITH THIS SECTION.

(3) THE FEE IMPOSED UNDER SUBSECTION (B) SHALL APPLY TO THE SALE OF A PROPERTY FOR DELINQUENT TAXES CONDUCTED IN THE CALENDAR YEAR BEGINNING NOT LESS THAN NINETY (90) DAYS AFTER THE EFFECTIVE DATE OF THE ORDINANCE.

(4) ANY OTHER TERMS AND CONDITIONS THE COUNTY DEEMS REASONABLE AND NECESSARY FOR OPERATION OF THE FUND ESTABLISHED UNDER SUBSECTION (A).

(D) A FUND ESTABLISHED UNDER SUBSECTION (A) SHALL BE USED EXCLUSIVELY BY THE COUNTY OR, UPON APPROVAL OF THE COUNTY COMMISSIONERS OR OTHER GOVERNING BODY, BY ANY TAXING DISTRICT, REDEVELOPMENT AUTHORITY, LAND BANK OR OTHER GOVERNMENT ENTITY FOR THE DEMOLITION OR REHABILITATION OF BLIGHTED PROPERTY LOCATED IN THE COUNTY AND OWNED BY A GOVERNMENT ENTITY.

(E) THIS SECTION SHALL NOT APPLY TO A PROPERTY SOLD FOR DELINQUENT REAL PROPERTY TAXES TO A NONPROFIT ENTITY, LAND BANK OR GOVERNMENT ENTITY.

Section-2 3. This act shall take effect in 60 days.