

No. 1980-70

AN ACT

SB 516

Amending the act of July 7, 1947 (P.L.1368, No.542), entitled "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 a county of the first 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 payments over.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 205, act of July 7, 1947 (P.L.1368, No.542), known as the "Real Estate Tax Sale Law," reenacted and amended September 27, 1973 (P.L.264, No.74), is amended to read:

Section 205. System of Accounting and Payment Over.—In each county bureau a system of accounting and payment over of all moneys collected or received under the provisions of this act shall be established in the bureau as may be determined by the county commissioners, the county controller, if any, and county treasurer.

All taxes and municipal claims recovered in full by the bureau under the provisions of this act, whether by payment by the owner before sale, payment by a purchaser who has bid the upset price at a sale, by redemption or through sequestration shall be paid over to the taxing districts entitled thereto. In all other cases, including net moneys received through sequestration or from the management or through public or private sale of property, the moneys received shall be paid over, first, to the respective taxing districts in proportion to the taxes due them; second, the municipal claims against such property due any taxing district; third, mortgages and other liens in order of their priority; and fourth, except in cases of property purchased by a taxing district prior to the effective date of this act and turned over to the

bureau for sale, the balance remaining shall be paid to the owner of the property sold. Such payments shall in all cases be less the percentage to which the county is entitled in accordance with this act: Provided, however, That where by the sale or redemption of property, tax liens of the Commonwealth are recovered, payment shall first be made of the tax liens of the Commonwealth to the State Treasurer through the Department of Revenue, and in the case of the public or private sale of property by the bureau after the continuance of a former sale, because of insufficient bid, the purchase price received shall first be applied to the satisfaction of the tax liens of the Commonwealth and shall be paid over in like manner.

Moneys recovered on account of costs, fees and expenses advanced by the county or any other taxing district shall be repaid to the taxing district making the advance. *Whenever no claim for payment of any balance due the owner of the property is presented by or on behalf of the owner within a period of three years of the date of the sale, the balance of the proceeds shall be distributed to the respective taxing districts pro rata based on the millage imposed by the respective taxing districts as of the year such property was sold. Interest earned by the proceeds of the sale during the three-year holding period shall revert to the county.*

The bureau shall keep an accurate account of all moneys received by it under the provisions of this act and a separate account for each property.

All payments, out of moneys recovered, shall be made by the bureau at stated intervals, but not less frequently than once every three (3) months.

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

APPROVED—The 22nd day of June, A. D. 1980.

DICK THORNBURGH