

No. 1981-92

AN ACT

SB 140

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," exempting second class counties from the requirement to establish Tax Claim Bureaus and further providing for properties sold at private sale.

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

Section 1. The title, act of July 7, 1947 (P.L.1368, No.542), known as the "Real Estate Tax Sale Law," 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 [a county] *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.

Section 2. The definitions of "Taxes" and "Taxing District" in section 102 of the act, the definition of "Taxes" amended May 20, 1949 (P.L.1602, No.484) and the definition of "Taxing District" amended December 9, 1977 (P.L.274, No.89), are amended to read:

Section 102. Definitions.—As used in this act, the following words shall be construed as herein defined, unless the context clearly indicates otherwise:

* * *

"Taxes," any county except **[of the first class] counties of the first and second class**, city except of the first or second class or second class A, borough, incorporated town, township, school district, except of the first class or school district within a city of the second class A, or institution district taxes, and interest and penalties due thereon, except where interest and penalties have been abated by provisions of law, if the owner pays his delinquent taxes on the instalment plan, in which case interest and penalties shall be included as may be provided by the act abating the penalties and interest if there has been a default by the owner in the payment of any instalment of taxes.

"Taxing District," any county except **[a county of the first class] counties of the first and second class**, city except a city of the first or second class or second class A, borough, incorporated town, township, school district, except a school district of the first class, or a school district within a city of the second class A, or institution district: Provided, however, That this act shall not be construed to require any city of the third class, or any school district within a city of the third class, to collect its delinquent taxes on property under and in accordance with the provisions of this act, if the city or the school district shall notify the Tax Claim Bureau, in writing, on or before the first day of May, 1948 that, pursuant to a resolution of the city council, the city or the board of directors of the school district has resolved that returns of property will not be made under the provisions of this act but that its delinquent taxes will be collected by the filing of liens in the office of the prothonotary, or by sale of such property at a city treasurer's sale under existing laws. Any such city and any such school district in any county having adopted the system provided by this act may, in any year notify the Tax Claim Bureau on or before the first day of May of the year that pursuant to a resolution of the city council, or of the board of directors, the city or school district, as the case may be, has resolved to collect its delinquent taxes on property under and in accordance with the provisions of this act, and thereafter the city's or school district's delinquent taxes shall be collected only under and in accordance with the provisions of this act:

[Provided further, That this act shall not apply in any county of the second class unless the county commissioners have adopted the system provided by this act for the collection of its delinquent taxes and such county in any year, by resolution adopted by the county commissioners during the month of January, elects to collect its delinquent taxes on property and those of other taxing districts under the return system under and in accordance with the provisions of this act: Provided, however, That this exemption shall only be available for a six year period immediately following January 1, 1976:] Provided, further, That any county of the fourth class which has not previously held a tax sale pursuant to this act may, by resolution adopted by its commissioners, be exempt from collecting its delinquent taxes pursuant to the provisions of this act: Provided, however, That this exemption shall only be available for a three year period immediately following January 1, 1976 and the county commissioners shall by resolution, provide for the collection of delinquent taxes during this interim.

Section 3. Section 201 of the act, amended December 14, 1967 (P.L.849, No.370), is amended to read:

Section 201. Creation of Bureaus.—A Tax Claim Bureau is hereby created in each of the counties hereinafter enumerated as follows:

(a) In counties of the [second,] second A, third, fourth, fifth, sixth, seventh and eighth classes in the office of the county commissioners.

Section 4. Section 202 of the act, subsection (a) amended July 3, 1974 (P.L.451, No.157), is amended to read:

Section 202. Appointment and Compensation of Personnel.—

(a) In counties of the [second,] second A, third, fourth, fifth, sixth, seventh and eighth classes, the county commissioners shall have direct supervision and control of the bureau, and shall have power to appoint a director and such employes and assistants as may be necessary to properly administer the affairs of the bureau, but the number and compensation of such employes, including the compensation of the director, shall be fixed by the salary board of the county in those counties where there is a salary board, and in all other counties by the county commissioners. Such compensation shall be paid by the county from county funds.

County employes or the county treasurer may be assigned by the county commissioners to act as the director or to other duties in the bureau.

(b) The county solicitor shall be the legal advisor and counsel to the bureau. The solicitor may appoint such assistant solicitors at such salaries as shall be allowed by the salary board.

Section 5. Section 203 of the act, amended December 14, 1967 (P.L.849, No.370), is amended to read:

Section 203. Bonds.—The county commissioners of each county of the [second,] second A, third, fourth, fifth, sixth, seventh and eighth classes shall have power to require the director of the bureau of the county and such employes and assistants of the bureau, as may by them be designated, to give bonds to the Commonwealth for the use of the

taxing districts, whose delinquent real estate tax claims are administered through such bureau, and for the use of any other person having a claim by reason of any act of such director, employes or assistants in such penal sum as the county commissioners shall fix, conditioned for the faithful performance of the duties of their office or public position and a strict accounting and payment over of all moneys collected or received by them under the provisions of this act. The cost of such bonds shall be paid by the county.

Section 6. Section 613(a) of the act, amended December 21, 1973 (P.L.441, No.157), is amended to read:

Section 613. Properties Not Sold Because of Insufficient Bid May be Sold at Private Sale.—(a) At any time after any property has been exposed to public sale and such sale is not sold because no bid was made equal to the upset price, as hereinbefore provided, and whether or not proceedings are initiated pursuant to sections 610 through 612.1, the bureau may, on its own motion, and shall, on the written instructions of any taxing district having any tax claims or tax judgments against said property, agree to sell the property at private sale, at any price approved by the bureau. Notice of the proposed sale, stating the price and the property proposed to be sold, shall be given to each such taxing district and to the owner of the property. The corporate authorities of any taxing district, having any tax claims or tax judgments against the property which is to be sold or the owner may, if not satisfied that the sale price approved by the bureau is sufficient, within ~~fifteen (15)~~ *forty-five (45)* days after notice of the proposed sale, petition the court of common pleas of the county to disapprove the sale. The court shall, in such case, after notice to each such taxing district, the owner, the bureau and the purchaser, hear all interested parties. After such hearing, the court may either confirm or disapprove the sale as to it appears just and proper. If the sale is disapproved, the court shall at the same time fix a price below which such property shall not be sold.

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Section 7. Sections 1 through 5 of this act shall take effect immediately and section 6 shall take effect January 1, 1982 and be applicable to all sales agreed to on or after the effective date.

APPROVED—The 26th day of September, A. D. 1981.

DICK THORNBURGH