

No. 1998-169

AN ACT

HB 2200

Amending the act of May 25, 1945 (P.L.1050, No.394), entitled "An act relating to the collection of taxes levied by counties, county institution districts, cities of the third class, boroughs, towns, townships, certain school districts and vocational school districts; conferring powers and imposing duties on tax collectors, courts and various officers of said political subdivisions; and prescribing penalties," providing for the definition of "duplicate"; and further providing for collection and payment and for settlement and audits.

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

Section 1. Section 2 of the act of May 25, 1945 (P.L.1050, No.394), known as the Local Tax Collection Law, is amended by adding a definition to read:

Section 2. Definitions.—The words—

"Duplicate" shall mean a listing of the valuations of persons and property within a taxing district taxable for the applicable year and may include a computerized billing register of annual taxes. It shall be prepared or derived from the county assessment roll and, after being certified as accurate by the taxing district, shall be used by the tax collector to notify the persons whose names appear thereon of the valuations and identification of the properties or persons taxed, the rates of taxes and the amount of tax due. A duplicate can be in a written, typographical, photostatic, photographic, microphotographic, microfilm, microcard, miniature photographic, optical electronic or other form which comprises a durable medium and from which an accurate reproduction can be made.

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Section 2. Section 25 of the act, amended September 8, 1959 (P.L.806, No.301), is amended to read:

Section 25. Collection and Payment Over of Taxes.—The tax collector shall keep a correct account of all moneys collected by him as taxes under the authority of any duplicate or duplicates in his possession. He shall mark "paid" on each duplicate, at the name of each taxable, the amount of taxes paid[,] and the date on which payment was made.

The tax collector shall on or before the tenth day of each month, or [oftener,] *more frequently* if required by ordinance or resolution of the taxing district, [make] *provide* a true, verified statement, in writing *on a form approved by the Department of Community and Economic Development*, to the secretary or clerk of the taxing district[,] or, in the case of cities of the third class, to the director of accounts and finance[, **if and as**

required,] for all taxes collected for such taxing district during the previous month or period, giving the names of taxables, the amount collected from each, along with discounts granted or penalties applied, if any, and the total amount of taxes received, discounts granted and penalties applied. *The tax collector shall include with each statement made under this section a reconciled monthly tax collector's report for each type of tax collected for each taxing district. The report shall be reconciled from the tax duplicates to the amount of taxes remaining to be collected.*

If a tax collector does not provide the statement, including the reconciled reports, within the prescribed period, the taxing district may impose a late filing fee in accordance with this section. Such fee shall not exceed twenty dollars for each day or part of a day, excluding Saturdays, Sundays and holidays, for the first six days that a statement with reconciled reports is overdue, and such fee shall not exceed ten dollars for each day or part of a day, excluding Saturdays, Sundays and holidays, for each day after such sixth day that a statement with reconciled reports is overdue. The maximum fee payable with respect to a single statement with reconciled reports shall not exceed two hundred fifty dollars. If a taxing district determines that there is a reasonable cause for failure to timely file the statement with reconciled reports under this section, the taxing district may waive the late filing fees. A taxing district shall receive an overdue statement with reconciled reports even if any late filing fee due has not been paid, but the statement with reconciled reports shall not be considered filed until all fees have been paid. No further late filing fees shall be incurred, notwithstanding the fact that the statement with reconciled reports is not considered filed.

The collector shall pay over on or before the tenth day of each month, or [oftener,] *more often* if required by ordinance or resolution of the taxing district, to the treasurer of the taxing district all moneys collected as taxes during the previous month or period and take his receipt for the same.

The tax collector shall, at any time on demand of any taxing district, exhibit any duplicate in his possession showing the uncollected taxes as of any date.

Section 3. Section 26 of the act is amended to read:

Section 26. Settlement of Duplicates; Audit.—[The] (a) *By January fifteenth, the tax collector shall make a complete settlement of all taxes for [each] the prior calendar year with the proper authority of the taxing district[, to be designated by the taxing district at such time as the said taxing district may fix, but not later than the first day of July of the year succeeding the one for which the taxes were levied, unless such time shall be extended by resolution of the taxing district].* In the settlement of such taxes, the tax collector shall be allowed a credit for all taxes collected and paid over, for all unpaid taxes upon real property, which real property shall have been returned to the county commissioners as provided by law, or shall have been certified to the taxing district, or its solicitor, for the entry of liens

in the office of the prothonotary, and in the case of occupation, poll and per capita taxes, for taxes accounted for by exonerations, which shall be granted by the taxing district upon oath or affirmation that he has complied with section twenty of this act.

Upon final settlement of a tax duplicate, a tax collector shall take an oath or affirmation in writing and subscribed by the tax collector, that he has made a true and just return of all taxes collected by him. Such oath or affirmation shall be administered by the officer of the taxing district empowered to make settlement, who shall have power to administer the same, and shall be filed with such officer.

(b) (1) The final accounts and monthly or other periodic returns and payments of a tax collector for county taxes collected for a county of the third, fourth, fifth, sixth, seventh or eighth class in counties with an elected controller may be audited by the controller. If the controller does not conduct this audit, clause (2) shall apply.

(2) The provisions of this clause shall apply to all taxing districts except counties in which an audit is conducted by a county controller in accordance with clause (1). (i) The tax collector's final accounts and records, monthly or other periodic returns and payments [of a tax collector] and duplicates shall be audited annually by the controller or auditors of the taxing district[,] or, at the request of the taxing district, by an independent certified public accountant or public accountant. (ii) If the audit is conducted by the controller or auditors of the taxing district, the audit shall be conducted in accordance with the applicable laws of the taxing district. (iii) If the audit is conducted by a certified public accountant or public accountant, the audit shall be conducted in accordance with generally accepted auditing standards.

(3) Nothing in this act or any other law shall prohibit local taxing districts from cooperating in conducting a simultaneous audit of any tax collector serving the taxing districts. Taxing districts may enter into agreements whereby the elected auditor or controller of one taxing district or a designated certified public accountant or public accountant may conduct a simultaneous audit on behalf of each taxing district.

Section 4. This act shall take effect December 31, 1999.

APPROVED—The 21st day of December, A.D. 1998.

THOMAS J. RIDGE