

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1020 Session of
1991

INTRODUCED BY LAUGHLIN, KUKOVICH, GEIST, COLAIZZO, KOSINSKI,
PETRARCA, JOHNSON, THOMAS, PETRONE, CAPPABIANCA, STISH,
HALUSKA, FREEMAN, GERLACH, TIGUE, COLAFELLA, TRELLO, TRICH,
LEVDANSKY, FARGO, ROBINSON, RUDY, ITKIN, COHEN, DALEY,
BISHOP, BELFANTI, MIHALICH, JOSEPHS, REBER, NAHILL, MICOZZIE,
VEON, LESCOVITZ, FEE, MELIO, GIGLIOTTI, LaGROTTA, BELARDI AND
McCALL, APRIL 8, 1991

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, APRIL 8, 1991

AN ACT

1 Amending the act of July 7, 1947 (P.L.1368, No.542), entitled,
2 as amended, "An act amending, revising and consolidating the
3 laws relating to delinquent county, city, except of the first
4 and second class and second class A, borough, town, township,
5 school district, except of the first class and school
6 districts within cities of the second class A, and
7 institution district taxes, providing when, how and upon what
8 property, and to what extent liens shall be allowed for such
9 taxes, the return and entering of claims therefor; the
10 collection and adjudication of such claims, sales of real
11 property, including seated and unseated lands, subject to the
12 lien of such tax claims; the disposition of the proceeds
13 thereof, including State taxes and municipal claims recovered
14 and the redemption of property; providing for the discharge
15 and divestiture by certain tax sales of all estates in
16 property and of mortgages and liens on such property, and the
17 proceedings therefor; creating a Tax Claim Bureau in each
18 county, except counties of the first and second class, to act
19 as agent for taxing districts; defining its powers and
20 duties, including sales of property, the management of
21 property taken in sequestration, and the management, sale and
22 disposition of property heretofore sold to the county
23 commissioners, taxing districts and trustees at tax sales;
24 providing a method for the service of process and notices;
25 imposing duties on taxing districts and their officers and on
26 tax collectors, and certain expenses on counties and for
27 their reimbursement by taxing districts; and repealing
28 existing laws," further providing for the entry, extension
29 and discharge of tax claims.

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

3 Section 1. Section 308(a) of the act of July 7, 1947
4 (P.L.1368, No.542), known as the Real Estate Tax Sale Law,
5 reenacted October 31, 1989 (P.L.587, No.63), is amended and the
6 section is amended by adding a subsection to read:

7 Section 308. Notice of Filing of Returns and Entry of
8 Claim.--(a) Not later than the thirty-first day of July of each
9 year, the bureau shall give only one notice of the return of
10 said taxes and the entry of such claim in one envelope for each
11 delinquent taxable property, by United States registered mail or
12 United States certified mail, return receipt requested, postage
13 prepaid, addressed to the owners at the same address listed on
14 the form returned by the tax collector for taxes that are
15 delinquent. In the case of property owned by joint tenants,
16 tenants in common, or husband and wife as tenants by the
17 entireties, the bureau may give the notice required by this
18 section by forwarding only one notice addressed to such joint
19 tenants, tenants in common or husband and wife at the same post
20 office address. If the owner of the property is unknown and has
21 been unknown for a period of not less than five years, such
22 notice shall be given only by posting on the property affected.
23 If no post office address of the owner is known or if a notice
24 mailed to an owner at such last known post office address is not
25 delivered by the postal authorities, then notice as herein
26 provided shall be posted on the property affected. If the
27 property owner has entered into an agreement with the bureau for
28 the payment of the delinquent taxes, the posting is not
29 necessary. Each mailed and posted notice shall, (1) show all the
30 information shown on the claim entered, (2) state that if

1 payment of the amount due the several taxing districts for said
2 taxes is not made to the bureau on or before the thirty-first
3 day of December next following, and no exceptions thereto are
4 filed, the said claim shall become absolute, (3) state that on
5 July first of the year in which such notice is given a one (1)
6 year period for discharge of tax claim shall commence or has
7 commenced to run, and that if full payment of taxes is not made
8 during that period as provided by this act, the property shall
9 be advertised for and exposed to sale under this act, and (4)
10 state that there shall be no redemption after the actual sale
11 [and].

12 (a.1) (1) In addition to the requirements of subsection
13 (a)(1), (2), (3) and (4), each mailed and posted notice shall
14 state that the owner of any owner-occupied real estate can apply
15 for an extension of the period for discharge of tax claim for up
16 to twelve (12) additional months under and subject to the
17 provisions of sections 505 and 506.

18 (2) This subsection shall expire January 1, 1993.

19 * * *

20 Section 2. The act is amended by adding sections to read:

21 Section 505. Option of County to Extend Period for Discharge
22 of Tax Claim.--(a) A county may at the option of its
23 commissioners enact legislation extending the period for
24 discharge of tax claim for real estate taxes for taxpayers for
25 up to twelve (12) additional months.

26 (b) This section shall expire January 1, 1993.

27 Section 506. Extension of Period for Discharge of Tax
28 Claim.--(a) If the county commissioners of the county enact
29 legislation pursuant to section 504, then the county
30 commissioners, acting through the county tax claim bureau

determine that a tax claim or tax claims constitute severe hardship to the taxpayer and that extenuating circumstances beyond the taxpayer's control have caused the tax claim or claims to be filed or remain unpaid and there is a reasonable probability that the taxpayer will be able to meet the indebtedness if granted an extension of the period for discharge of tax claim for up to twelve (12) additional months, they shall have the authority in the event of an application for extension submitted by the taxpayer to:

(1) Extend the period for discharge of tax claim for owner-occupied real estate for up to twelve (12) additional months: Provided, That the taxpayer enters into an equitable apportioned payment schedule consistent therewith.

(2) Abate, suspend, continue or stay the tax sale proceedings pending with respect to such owner-occupied residential real estate.

(b) The payment schedule authorized under subsection (a) shall permit the taxpayer to make payment of the amount due in at least four (4) separate payments, spaced at least thirty (30) days apart, and shall require the initial payment to be not more than twenty-five per centum (25%) of the total indebtedness calculated to be due under such schedule. However, the provisions of this subsection and of section 603 notwithstanding, the county commissioners may, in their discretion, in special hardship cases, establish payment schedules specifically suited to the capabilities of the particular affected taxpayer.

(c) The application for extension authorized in clause (1) of subsection (a) shall be made in such form as shall be provided by the bureau. Within thirty (30) days of receipt of

1 such an application, the director of the bureau shall either
2 allow or disallow such an extension. If such an extension is
3 allowed, the bureau shall set the length of such extension. Any
4 taxpayer aggrieved by the decision of the bureau may, within
5 fifteen (15) days after notice thereof, appeal to the county
6 court of common pleas for de novo review of the application.

7 (d) For the purpose of this section the phrase "extenuating
8 circumstances" means:

9 (1) Serious physical illness or injury or a combination of
10 such illness or injury with a state of prolonged unemployment
11 if: (i) the taxpayer is a permanent resident of the
12 Commonwealth, (ii) the illness or injury, or combination
13 thereof, occurred or persisted during any of the tax years for
14 which the delinquent taxes were assessed or during the year
15 immediately preceding any such delinquency, and (iii) the
16 illness or injury, or combination thereof, has been a
17 substantial cause of the taxpayer's failure to pay any such
18 delinquent tax or taxes to the date of application for relief
19 under this section.

20 (2) Unemployment if: (i) the taxpayer is a permanent
21 resident of the Commonwealth, (ii) the unemployment occurred or
22 persisted during any of the tax years for which the delinquent
23 taxes were assessed or during the year immediately preceding any
24 such delinquency, and (iii) the unemployment has been a
25 substantial cause of the taxpayer's failure to pay any such
26 delinquent tax or taxes to the date of application for relief
27 under this section.

28 (e) For the purpose of this section, an extension of the
29 period for discharge of tax claim shall only apply to one (1)
30 owner-occupied property per taxpayer.

1 (f) This section shall expire January 1, 1993.

2 Section 3. This act shall be retroactive to January 1, 1991.

3 Section 4. This act shall take effect immediately.