
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1419 Session of
2015

INTRODUCED BY GREINER, HEFFLEY, MILLARD, DIAMOND, TRUITT, FEE
AND COHEN, JUNE 28, 2015

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 28, 2015

AN ACT

1 Amending the act of May 25, 1945 (P.L.1050, No.394), entitled
2 "An act relating to the collection of taxes levied by
3 counties, county institution districts, cities of the third
4 class, boroughs, towns, townships, certain school districts
5 and vocational school districts; conferring powers and
6 imposing duties on tax collectors, courts and various
7 officers of said political subdivisions; and prescribing
8 penalties," further providing for bonds of tax collectors,
9 for joint tax collection district and for collection of
10 municipal taxes by county treasurer; and providing for
11 abolishment of the office of tax collector.

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

14 Section 1. Section 4(b) and (f) of the act of May 25, 1945
15 (P.L.1050, No.394), known as the Local Tax Collection Law,
16 amended October 24, 2012 (P.L.1318, No.166), are amended to
17 read:

18 Section 4. Bonds of Tax Collectors.--* * *

19 (b) In boroughs, towns and townships of the first or second
20 class, the [elected] tax collector shall be the collector of
21 borough, town or township taxes, as the case may be, and of
22 county, county institution district, school district and

1 vocational school district taxes. He shall, before he enters
2 upon the duties of his office, take and subscribe an oath of
3 office and file the same in the office of the clerk of the court
4 of common pleas of the county. He shall enter into one surety
5 bond to the Commonwealth for all taxes to be collected by him,
6 in an amount to be fixed by the court of common pleas of the
7 county, which amount shall never exceed the estimated amount of
8 taxes charged in the duplicates to be delivered to him in one
9 year. Such bond may, at the option of the tax collector, be an
10 annual bond or may cover the full term of office for which the
11 tax collector shall have been elected or appointed. Such bond
12 shall have thereon at least one bonding company, and the
13 sufficiency of the sureties on the bond shall be approved by the
14 court of common pleas at any time prior to the delivery of a tax
15 duplicate to the tax collector. The bond shall be filed in the
16 office of the clerk of the court of common pleas on or before
17 the fifteenth day of March of the year in which the tax
18 collector qualifies for office and annually thereafter, except
19 where the first bond given by the tax collector covers the full
20 term of office for which he was elected or appointed. Should any
21 of the taxing districts be of the opinion, at any time, that the
22 bond given by the tax collector is not sufficient in amount, or
23 as to the surety thereon, the said taxing district may apply to
24 the court by petition to have the tax collector furnish
25 additional bond in the manner provided by this section.
26 Thereupon the tax collector shall furnish such additional bond,
27 if any, as the court of common pleas may prescribe, but not
28 exceeding the limitation as to the amount hereinbefore
29 prescribed: Provided, That where taxes for borough purposes are
30 collected by an appointee of council the bond shall be as may be

1 prescribed by council. The board of commissioners of any county
2 by resolution adopted no later than November 1 of the prior year
3 may authorize and require for the following year the joint
4 bidding by the board of commissioners of bonds for all tax
5 collectors for the county and for boroughs, incorporated towns
6 and townships of the first or second class, and school districts
7 and vocational school districts within the county. The joint
8 bidding of the bonds shall be subject to all provisions of this
9 act not inconsistent with the requirement of joint bidding.

10 * * *

11 (f) In case where a tax collector shall be appointed in a
12 borough, town or township of the first or second class [to fill
13 a vacancy in said office], or where the elected tax collector
14 shall have failed to qualify, or to furnish bond, or where a tax
15 collector shall have failed to settle a duplicate, as provided
16 in section thirty-one of this act, the person appointed in
17 accordance with existing laws, including an individual,
18 corporation or the county treasurer to collect such taxes, shall
19 give bond secured and conditioned as above provided; where a
20 township of the first or second class or a school district shall
21 in such cases exercise its power to appoint a separate tax
22 collector to collect its taxes, such appointee shall give bond
23 secured and conditioned as above provided.

24 * * *

25 Section 2. The act is amended by adding a section to read:

26 Section 4.6. Optional Alternative Tax Collection
27 Agreements.--(a) (1) Notwithstanding any other provision of
28 law and subject to subsection (b), a municipality may, by
29 ordinance, enter into an optional tax collection agreement with
30 a tax officer named by the municipality to be responsible for

1 the continued collection of all taxes previously collected by
2 the tax collector.

3 (2) The tax officer shall be one of the following:

4 (i) a tax bureau; or

5 (ii) the county treasurer, provided that the governing body
6 of the municipality and the county commissioners enter into an
7 agreement that provides that the county treasurer shall have the
8 duties and responsibilities of billing and collecting all taxes
9 levied in the municipality; or

10 (iii) the tax collector of an adjoining or conveniently
11 located taxing district, provided that the governing body of the
12 municipality and the governing body of the adjoining or
13 conveniently located taxing district enter into an agreement
14 that provides that the tax collector shall have the duties and
15 responsibilities of billing and collecting all taxes levied in
16 the municipality. Prior to entering into such agreement, the tax
17 collector must agree to collect taxes on behalf of the adjoining
18 or conveniently located taxing district; or

19 (iv) a private agency already defined as a tax officer under
20 the act of December 31, 1965 (P.L.1257, No.511), known as The
21 Local Tax Enabling Act; or

22 (v) a public employe of the municipality or home rule
23 municipality.

24 (3) After naming a tax officer, the municipality shall
25 notify the taxing districts for which the tax collector
26 collected taxes that the municipality will abolish the office of
27 tax collector and is planning on naming a tax officer to replace
28 the elected tax collector.

29 (4) When a tax officer is named under this section the
30 municipal treasurer shall have the authority to take receipt of

1 payment of taxes if the taxing officer is located outside of the
2 municipality.

3 (5) The optional alternative tax collection agreement shall
4 be deemed a professional services contract and not subject to
5 any competitive bidding process.

6 (b) The ordinance to enter into an optional tax collection
7 agreement shall take effect as follows:

8 (1) If the office of tax collector is vacant and the
9 municipality has named a tax officer prior to the effective date
10 of the ordinance entering into an optional tax collection
11 agreement, the ordinance shall take effect immediately.

12 (2) If the office of tax collector is not vacant, the
13 municipality would like to enact an ordinance to enter into an
14 optional tax collection agreement, and the municipality enacts
15 the ordinance prior to the circulation of petitions for the
16 primary election, then the office of tax collector shall be
17 abolished at the end of the current tax collector's term at
18 which time the optional tax collection agreement shall take
19 effect.

20 (3) If the municipality enacts an ordinance to enter into an
21 optional tax collection agreement after the circulation of
22 petitions for the primary and an individual received enough
23 signatures to be placed on the ballot in the primary election
24 for the office of tax collector, the ordinance may not take
25 effect until the office of tax collector becomes vacant or the
26 individual that has been elected to the office of tax collector
27 at the general election has served out his term.

28 (c) Any tax collector in office when a municipality enacts
29 an ordinance under this section shall remain in office until the
30 end of his term and shall continue to have all the powers and

1 duties of his office.

2 (d) (1) A tax officer appointed by the municipality shall
3 take the basic and continuing education requirements required by
4 this act.

5 (2) If the tax officer is an organization composed of
6 multiple people then at least one individual shall be designated
7 to comply with the basic and continuing education requirements
8 of this act.

9 (e) A tax officer shall name a deputy in accordance with
10 section 22(b).

11 (f) A tax officer shall comply with the bonding requirements
12 of section 4.

13 (g) After the municipality has entered into an optional
14 alternative tax collection agreement, a copy shall be provided
15 to the county board of elections and after the effective date of
16 the agreement the board of elections may not place the office of
17 tax collector on the ballot in that municipality.

18 (h) An optional alternative tax collection agreement entered
19 into by a governing body of a municipality shall not be required
20 to have a fixed duration and may be renegotiated or terminated
21 at any time by the governing body.

22 (i) (1) If at any time the municipality would like to end
23 its optional alternative tax collection agreement, the
24 municipality shall provide written notice to the tax officer,
25 the taxing district and the county board of elections that it
26 plans to end the optional alternative tax collection agreement.

27 (2) Upon receipt of the notification pursuant to paragraph
28 (1), the board of elections shall place the office of tax
29 collector on the ballot for the municipality during the next
30 municipal election.

1 (3) The tax officer shall continue to collect taxes until a
2 tax collector has been elected and sworn into office.

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