

LOCAL TAX COLLECTION LAW - OMNIBUS AMENDMENTS

Act of Jul. 7, 2006, P.L. 394, No. 80

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Session of 2006

No. 2006-80

HB 1725

AN ACT

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," further providing for basic and continuing education programs for tax collectors; providing for records in possession of tax collector; further providing for expenses paid by taxing districts and for discounts, penalties and notice; providing for compensation for interim tax bills; and further providing for penalty.

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

Section 1. Section 4.1(a.2) and (b) of the act of read:

Section 4.1. Basic and Continuing Education Programs for Tax Collectors.--* * *

(a.2) The department shall:

(1) Make certain a qualified tax collector certificate is issued to an individual who passes the basic qualification examination. The certificate shall expire one year from the date of issuance but may be renewed[.] **for subsequent consecutive years upon the completion of mandatory continuing education in accordance with subsection (b).**

(2) Maintain a register that lists all qualified tax collectors. The register shall be open to public inspection and copying upon payment of a nominal fee.

(3) Provide once each year a list of all qualified tax collectors on the department's World Wide Web site.

(4) Determine and approve reasonable fees for the training program and for testing and qualification. The individual shall bear the cost of the program, testing and qualification unless the political subdivision agrees to pay for the cost in whole or in part.

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(b) Each qualified tax collector shall be required to obtain [ten] **six** hours of mandatory continuing education during each year **of his term of office.**

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

Section 4.3. Tax Collection Records.--(a) A tax collector during the time that he or she holds the office of tax collector shall maintain and have legal custody of tax collection records that are not in the custody of a taxing district.

(b) Nothing in this section shall prevent a person who formerly held the office of tax collector from maintaining copies of tax collection records that may be necessary for purposes of any subsequent audit, tax certification or other required service or for defending against claims for liability that may be made against

the former tax collector. Unless a court, upon a rule to show cause, shall extend the time, copies of tax collection records shall not be retained by a person who formerly held the office of tax collector or his representative for more than five years from the completion of the final audit for the last year in which the person who formerly held the office of tax collector was responsible for the collection of taxes. All copies of tax collection records held by the former tax collector or his representative shall be returned to the taxing district within the time period provided in this subsection.

(c) This section shall not be construed to do any of the following:

(1) Make a tax collector an "agency" or authorize requests of the tax collector for records pursuant to the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.

(2) Alter or amend any law concerning the confidentiality of tax collection records.

(d) No person who formerly held the office of tax collector shall intentionally and unlawfully deny legal custody or otherwise impair the availability of tax collection records by refusing to transfer possession of the records to a taxing district or its tax collector.

(e) As used in this section, the term "tax collection records" shall mean records to which access is required by a tax collector in order to carry out the duties under this act and which are among the categories of tax collection records that are to be maintained in conformity with disposition and retention schedules and regulations that are promulgated by the Local Government Records Committee in accordance with 53 Pa.C.S. Ch. 13 Subch. F (relating to records).

Section 3. Section 9 of the act is amended to read:

Section 9. Expenses Paid by Taxing Districts.--The expenses of postage and printing of [tax notices] **any notice required by this act** shall be paid by the taxing districts.

Section 4. Section 10 of the act, amended December 19, 1996 (P.L.1474, No.188), is amended to read:

Section 10. Discounts; Penalties; Notice.--(a) The rates of discounts and penalties on taxes shall be established by the taxing district. All taxpayers subject to the payment of taxes, assessed by any taxing district, shall be entitled to a discount of at least two per centum from the amount of such tax upon making payment of the whole amount thereof within two months after the date of the tax notice. All taxpayers, who shall fail to make payment of any such taxes charged against them for four months after the date of the tax notice, shall be charged a penalty of up to ten per centum which penalty shall be added to the taxes by the tax collector and be collected by him. The provisions of this section shall apply to cities of the second class A.

(b) [Where] **If** a taxpayer has not paid taxes on real estate within four months after the date of the tax notice [and the tax collector has reason to believe that the taxpayer is sixty years of age or older], the tax collector shall send by first class mail the following notice in [large print form with eighteen point or larger text] **bold print capital letters** to the taxpayer:

[YOUR REAL ESTATE TAXES HAVE NOT BEEN PAID ON TIME AND A PENALTY HAS BEEN ADDED TO THE AMOUNT YOU OWE. IF THE PROPERTY FOR WHICH THE TAXES HAVE NOT BEEN PAID IS YOUR PRIMARY RESIDENCE AND IF YOU ARE 60 YEARS OF AGE OR OLDER, CONTACT THE AREA AGENCY ON AGING (TELEPHONE NUMBER) FOR POSSIBLE ASSISTANCE.]

YOUR REAL ESTATE TAXES HAVE NOT BEEN PAID ON TIME, AND A PENALTY HAS BEEN ADDED TO THE AMOUNT YOU OWE. IF NOT PAID BY DECEMBER 31, YOUR REAL ESTATE TAXES WILL BE DELINQUENT. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT (NAME OF TAX COLLECTOR) BY MAIL AT

(ADDRESS) OR BY TELEPHONE AT (TELEPHONE NUMBER). IF YOUR REAL ESTATE TAXES ARE TO BE PAID FROM AN ESCROW ACCOUNT ESTABLISHED IN CONNECTION WITH YOUR MORTGAGE, YOU SHOULD CONTACT THE COMPANY MANAGING YOUR ESCROW ACCOUNT.

(c) Failure to receive notice as required by subsection (b) shall not relieve any taxpayer from the payment of any taxes imposed by any taxing district.

(d) For purposes of determining if payment is timely made in order either to qualify for a discount or to avoid a penalty, the following shall apply:

(1) Whenever the last day of a period during which payment may be made at a discount or without penalty shall fall on Saturday or Sunday or on any day made a legal holiday by the laws of this Commonwealth or of the United States, payment shall be considered timely if it is tendered or postmarked by the United States Postal Service on the succeeding secular or business day.

(2) A tax collector shall not refuse to accept payment tendered or postmarked by the United States Postal Service in a timely manner pursuant to this subsection.

(e) A tax collector shall not refuse to accept payment tendered or postmarked by the United States Postal Service by December 31, but nothing in this section shall be construed as limiting the authority of a tax collector to set a date, not earlier than December 15, after which personal checks will no longer be accepted for payment of taxes and penalty.

Section 5. The act is amended by adding a section to read:

Section 36.2. Compensation for Interim Tax Bills.--(a) In fixing tax collector compensation in accordance with this act, a taxing district shall provide a method whereby a tax collector will receive additional remuneration for work related to collection efforts with regard to taxes levied and assessed upon a duplicate issued after an interim assessment.

(b) The additional compensation required in subsection (a) may be based on the issuance of an interim bill or calculated in any other manner permitted by this act.

Section 6. Section 42 of the act is amended to read:

Section 42. Penalty.--(a) Any tax collector failing to comply with the provisions of section thirteen of this act, and any tax collector, treasurer or commissioner who violates any of the provisions of section fourteen of this act, shall be sentenced to pay a fine of not more than five hundred dollars, or be sentenced to imprisonment for not more than six months, or both, at the discretion of the court.

(b) A person who formerly held the office of tax collector who unlawfully and intentionally impairs the availability of tax collection records in violation of section 4.3(d) commits a misdemeanor of the second degree.

Section 7. This act shall take effect in 60 days.

APPROVED--The 7th day of July, A. D. 2006.

EDWARD G. RENDELL