

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

SENATE BILL

No. 552      Session of  
1991

---

INTRODUCED BY SALVATORE, FEBRUARY 20, 1991

---

AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, NOVEMBER 18, 1992

---

AN ACT

1 Amending the act of May 16, 1923 (P.L.207, No.153), entitled "An  
2 act providing when, how, upon what property, and to what  
3 extent, liens shall be allowed for taxes and for municipal  
4 improvements, for the removal of nuisances, and for water  
5 rents or rates, sewer rates, and lighting rates; for the  
6 procedure upon claims filed therefor; the methods for  
7 preserving such liens and enforcing payment of such claims;  
8 the effect of judicial sales of the properties liened; the  
9 distribution of the proceeds of such sales, and the  
10 redemption of the property therefrom; for the lien and  
11 collection of certain taxes heretofore assessed, and of  
12 claims for municipal improvements made and nuisances removed,  
13 within six months before the passage of this act; and for the  
14 procedure on tax and municipal claims filed under other and  
15 prior acts of Assembly," further providing for sale upon  
16 judgment in cities of the first class; providing for  
17 registration of interested parties, service of notice and  
18 statute of limitations in cities of the first class; and  
19 further providing for redemption of uninhabited residential  
20 property.

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

23 Section 1. Section 15 of the act of May 16, 1923 (P.L.207,  
24 No.153), referred to as the Municipal Claim and Tax Lien Law,  
25 amended December 13, 1982 (P.L.1196, No.274), is amended to

1 read:

2 Section 15. Such tax, municipal or other claim if filed  
3 within the period aforesaid, shall remain a lien upon said  
4 properties until fully paid and satisfied: Provided, That either  
5 a suggestion of nonpayment and an averment of default, in the  
6 form hereinafter provided, be filed, either before or after  
7 judgment on the scire facias or else a writ of scire facias, in  
8 the form herein provided, be issued to revive the same, within  
9 each period of twenty years following--(a) the date on which  
10 said claim was filed, (b) the date on which a writ of scire  
11 facias was issued thereon, (c) the date on which any judgment  
12 was entered thereon, (d) the date on which a previous suggestion  
13 of nonpayment and default was filed thereon, or (e) the date on  
14 which a judgment of revival was obtained thereon, except that in  
15 cities and school districts of the first class with respect to  
16 taxes and other municipal claims, the period within which such  
17 liens may be revived shall be twenty years.

18 The suggestion and averment shall be in the following form,  
19 under the caption of the claim:

20 And now ....., the claimant, by  
21 ....., its solicitor, or by the  
22 chief of its delinquent tax bureau, or, in counties of the  
23 second class, by the county controller, suggests of record that  
24 the above claim is still due and owing to the claimant, and  
25 avers that the owner is still in default for nonpayment thereof.  
26 The prothonotary is hereby directed to enter this suggestion and  
27 averment on the municipal lien or the proper docket of the  
28 claim, and also to index it upon the judgment index and on the  
29 locality index of the court, for the purpose of continuing the  
30 lien of the claim.

1       Such suggestion and averment shall be signed by, or have  
2 stamped thereon a facsimile signature of, the solicitor or chief  
3 executive officer of the claimant, or the chief of its  
4 delinquent tax bureau, except in counties of the second class,  
5 in which case it shall be signed by, or have stamped thereon a  
6 facsimile signature of, the county controller. The prothonotary  
7 shall docket and index the suggestion and averments directed  
8 therein.

9       The filing and indexing of such suggestion and averment  
10 within twenty years, or in any city or school district of the  
11 first class within twenty years, of filing the claim or the  
12 issuing of any writ of scire facias thereon, or of any judgment  
13 thereon, or of the filing of any prior suggestion and averment  
14 of default, shall have the same force and effect, for the  
15 purposes of continuing and preserving the lien of the claim, as  
16 though a writ of scire facias had been issued or a judgment or  
17 judgment of revival had been obtained within such period:  
18 Provided, That no writ of levam facias shall be issued upon a  
19 claim for the purpose of exposing the property lien to  
20 sheriff's sale, except after a judgment shall have been duly  
21 obtained upon the claim, as provided in this section, and such  
22 judgment must have been obtained within twenty years, or in any  
23 city or school district of the first class within twenty years,  
24 of the issuance of the levam facias. Whenever the lien of a  
25 claim has been revived and continued by the filing and indexing  
26 of a suggestion and averment of default, the claimant may, at  
27 any time within twenty years therefrom, or in any city or school  
28 district of the first class within twenty years, issue a writ of  
29 scire facias thereon reciting all suggestion and averment of  
30 default filed since the filing of the claim, and shall proceed

1 thereon, in the manner herein provided, subject to the right of  
2 the owner to raise any defense arising since the last judgment.

3 If a claim be not filed within the time aforesaid, or if it  
4 be not prosecuted in the manner and at the time aforesaid, its  
5 lien on real estate shall be wholly lost.

6 The charge for filing the claim of a municipality or  
7 municipality authority shall include the cost of marking the  
8 record paid and satisfied. When the claim and costs are paid the  
9 municipality or municipality authority shall so notify the  
10 prothonotary.

11 Notwithstanding any other provision of this or any other act  
12 to the contrary, all judgments in favor of cities, counties and  
13 school districts of the first class relating to self-assessed  
14 taxes as defined in section 2 of the act of December 1, 1959  
15 (P.L.1673, No.616), known as the "Self-Assessed Tax Lien Act,"  
16 may be revived in the manner provided for in this section.

17 Section 2. Section 31.2(a) of the act, added March 15, 1956  
18 (1955 P.L.1274, No.388), is amended to read:

19 Section 31.2. (a) In addition to the remedies prescribed in  
20 sections 28, 31 and 31.1 of this act, in cities of the first  
21 class, whenever a claimant has [obtained a judgment upon] filed  
22 its tax or municipal claim in accordance with the requirements  
23 of this act, it may file its petition in the court in which the  
24 proceeding is pending, setting forth the facts necessary to show  
25 the right to sell, together with searches or a title insurance  
26 policy, showing the state of record and the ownership of the  
27 property, and of all tax and municipal claims, mortgages, ground  
28 rents or other charges on, or estates in, the land, as shown by  
29 the official records of the city or county, or the political  
30 subdivision in which the real estate is situate, and thereupon

1 the court shall grant a rule upon all parties thus shown to be  
2 interested, to appear and show cause why a decree should not be  
3 made that the property be sold, freed and cleared of their  
4 respective claims, mortgages, ground rents, charges and estates.  
5 If upon a hearing, the court is satisfied that service had been  
6 made of the rule upon the parties respondent in the manner  
7 provided in this act for the service of writs of scire facias to  
8 obtain judgments upon tax and municipal claims, and that  
9 contemporaneously with the service of the rule on the parties  
10 respondent notice of the rule has been published by the claimant  
11 in at least one newspaper of general circulation in the county,  
12 and in a legal periodical published therein, if any, and that  
13 the facts stated in the petition be true, it shall order and  
14 decree that the property be sold at a subsequent sheriff's sale  
15 at a time to be fixed thereafter by the claimant, clear of all  
16 claims, liens, mortgages, ground rents, charges and estates, to  
17 the highest bidder at such sale and after payment of the tax or  
18 municipal lien the balance of the proceeds realized therefrom,  
19 shall be distributed in accordance with the priority of the  
20 remaining claims, liens, mortgages, ground rents, charges and  
21 estates, and the purchaser at such sale shall take and forever  
22 thereafter have, an absolute title to the property sold, free  
23 and discharged of all tax and municipal claims, liens,  
24 mortgages, ground rents, charges and estates of whatsoever kind,  
25 subject only to the right of redemption as provided by law. The  
26 date of the sale shall be advertised in at least one newspaper  
27 of general circulation in the county and in the legal periodical  
28 published therein.

29 (b) The deed to the purchaser shall be executed,  
30 acknowledged and delivered as in other real estate sales by the

1 sheriff. Any person interested may at any time prior to the  
2 proposed sale pay all the costs of the proceedings, including  
3 the cost for the title search or title insurance policy, and all  
4 tax and municipal claims, penalties and interest thereon,  
5 charged against the property whereupon the proceedings on  
6 petition shall at once determine.

7 (c) For the purpose of enabling the petitioner in any  
8 proceedings to give the notice required, it may take the  
9 testimony of the defendant in the claim, or of any other person  
10 whom it may have reason to believe has knowledge of the  
11 whereabouts of any of the parties respondent, either by  
12 deposition, commission or letters rogatory.

13 (d) Any claimant may bid and become the purchaser of the  
14 property at such sale, and if such purchaser shall be a taxing  
15 authority within the city or county, such property while held  
16 and owned by such taxing authority, shall not be subject to tax  
17 claims, unless it be redeemed by the former owner or other  
18 person having the right to redeem, as provided by law. If,  
19 however, a city or county, or a taxing authority within the city  
20 or county, shall become the purchaser at said sale, the former  
21 owner or other persons, desiring to redeem, shall pay all taxes  
22 and municipal claims accrued and chargeable against the property  
23 prior to the sale thereof, together with the costs and interest  
24 thereon, and also all taxes and claims, whether filed or not,  
25 which would have accrued and become chargeable against the  
26 property had the same been purchased at the sale by some party  
27 other than the city or county, or a taxing authority within the  
28 city or county.

29 (e) Upon the delivery by the sheriff of a deed for any  
30 property sold under the provisions of this section, the judgment

1 upon which such sale was had shall thereupon and forever  
2 thereafter be final and conclusive, and the validity thereof  
3 shall not be questioned for any cause whatsoever.

4 Section 3. Section 32(c) of the act, amended December 19,  
5 1990 (P.L.1092, No.199), is amended to read:

6 Section 32. \* \* \*

7 (c) Notwithstanding any other provision of law to the  
8 contrary, in cities of the first class only, there shall be no  
9 redemption of [uninhabited residential] vacant property by any  
10 person after the date of the acknowledgment of the sheriff's  
11 deed therefor. For the purposes of this subsection, property  
12 shall be deemed to be "[uninhabited residential] vacant  
13 property" unless it was continuously occupied by the same  
14 individual or basic family unit as a residence for at least  
15 ninety days prior to the date of the sale and continues to be so  
16 occupied on the date of the acknowledgment of the sheriff's deed  
17 therefor.

18 \* \* \*

19 Section 4. The act is amended by adding sections to read:

20 Section 39.1. (a) Any owner of real property located within  
21 a city of the first class, any mortgagee thereof, or any person  
22 having a lien or claim thereon or interest therein, shall  
23 register a notice of interest with the department of the city of  
24 the first class responsible for collection of tax and municipal  
25 claims, stating his name, residence and mailing address and a  
26 description of the real property in which the person has an  
27 interest. A notice of interest shall not be required for any  
28 mortgage or interest otherwise properly recorded in the Office  
29 of the Recorder of Deeds provided the document contains a  
30 current address sufficient to satisfy the notice requirements of

this section. The interested party shall file an amended  
registration as needed.

(b) After the completion and filing of a notice of interest,  
a city of the first class shall serve all petitions, rules and  
other notices required by this act on those interested parties  
at the registered address.

(c) A city of the first class may promulgate regulations for  
the bulk registration of notices of interest.

Section 39.2. (a) In cities of the first class, notice of a  
rule to show cause why a property should not be sold free and  
clear of all encumbrances issued by a court pursuant to a  
petition filed by a claimant under section 31.2 of this act  
shall be served by the claimant upon owners, mortgagees, holders  
of ground rents, liens and charges or estates of whatsoever kind  
as follows:

(1) By posting a true and correct copy of the petition and  
rule on the most public part of the property;

(2) By mailing by first class mail to the address registered  
by any interested party pursuant to section 39.1 of this act a  
true and correct copy of the petition and rule; and

(3) ~~In the event~~ BY REVIEWING a title search, title  
insurance policy or tax information certificate THAT identifies  
interested parties of record who have not registered their  
addresses pursuant to section 39.1 of this act, the city shall  
mail by first class mail and by registered mail to such  
addresses as appear on the respective records relating to the  
premises a true and correct copy of the petition and rule.

The city shall file an affidavit of service with the court prior  
to seeking a decree ordering the sale of the premises.

(b) No party whose interest did not appear on a title



search, title insurance policy or tax information certificate or  
who failed to accurately register his interest and address  
pursuant to section 39.1 of this act shall have standing to  
complain of improper notice if the city shall have complied with  
subsection (a) of this section. This provision shall not apply  
if the mortgage or interest was otherwise properly recorded in  
the Office of the Recorder of Deeds and the document contains a  
current address sufficient to satisfy the notice requirements of  
this section.

(c) Notice of the court's decree ordering a tax sale,  
together with the time, place and date of the sale, shall be  
served by first class mail on all parties served with the  
petition and rule on any parties whose interest appeared of  
record after the filing of the petition but before the court's  
decree and on any creditor who has obtained judgment against the  
owner of the premises prior to the date of the decree. The city  
shall file an affidavit of service of these notices prior to the  
date of the sale.

Section 39.3. All parties wishing to contest the validity of  
any sale conducted pursuant to section 31.2 of this act,  
including the sufficiency of any notice, and any party claiming  
to have an interest in the premises which was not discharged by  
the sale, must file a petition seeking to overturn the sale or  
to establish the interest within six months of the  
acknowledgment of the deed to the premises by the sheriff.

Section 39.4. Cities of the first class shall proceed on tax  
claims after one year of delinquency, unless the owner or an  
interested party enters into a payment agreement suitable to the  
claimant. The finance director of the city may preclude the sale  
of a property on a case-by-case basis if the sale would create

1 an undue hardship on the property owner or occupant.

2 Section 5. This act shall take effect in 60 days.