

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 556

Session of
1977INTRODUCED BY MOORE, LEWIS, STAPLETON, STAUFFER, MESSINGER,
FLEMING, ORLANDO, TILGHMAN AND HOPPER, MARCH 22, 1977

AS AMENDED ON THIRD CONSIDERATION, OCTOBER 4, 1977

AN ACT

1 ~~Amending the act of August 9, 1971 (P.L.286, No.74), entitled~~ <—
2 ~~"An act providing for the custody and control of abandoned~~
3 ~~and unclaimed property; providing for its disposition;~~
4 ~~imposing powers and duties on the Secretary of Revenue; and~~
5 ~~imposing penalties," providing for disposition of certain~~
6 ~~land and imposing powers and duties on counties in connection~~
7 ~~therewith.~~

8 AMENDING THE ACT OF JULY 7, 1947 (P.L.1368, NO.542), ENTITLED <—
9 "AN ACT AMENDING, REVISING AND CONSOLIDATING THE LAWS
10 RELATING TO DELINQUENT COUNTY, CITY, EXCEPT OF THE FIRST AND
11 SECOND CLASS AND SECOND CLASS A, BOROUGH, TOWN, TOWNSHIP,
12 SCHOOL DISTRICT, EXCEPT OF THE FIRST CLASS AND SCHOOL
13 DISTRICTS WITHIN CITIES OF THE SECOND CLASS A, AND
14 INSTITUTION DISTRICT TAXES, PROVIDING WHEN, HOW AND UPON WHAT
15 PROPERTY, AND TO WHAT EXTENT LIENS SHALL BE ALLOWED FOR SUCH
16 TAXES, THE RETURN AND ENTERING OF CLAIMS THEREFOR; THE
17 COLLECTION AND ADJUDICATION OF SUCH CLAIMS, SALES OF REAL
18 PROPERTY, INCLUDING SEATED AND UNSEATED LANDS, SUBJECT TO THE
19 LIEN OF SUCH TAX CLAIMS; THE DISPOSITION OF THE PROCEEDS
20 THEREOF, INCLUDING STATE TAXES AND MUNICIPAL CLAIMS RECOVERED
21 AND THE REDEMPTION OF PROPERTY; PROVIDING FOR THE DISCHARGE
22 AND DIVESTITURE BY CERTAIN TAX SALES OF ALL ESTATES IN
23 PROPERTY AND OF MORTGAGES AND LIENS ON SUCH PROPERTY, AND THE
24 PROCEEDINGS THEREFOR; CREATING A TAX CLAIM BUREAU IN EACH
25 COUNTY, EXCEPT A COUNTY OF THE FIRST CLASS, TO ACT AS AGENT
26 FOR TAXING DISTRICTS; DEFINING ITS POWERS AND DUTIES,
27 INCLUDING SALES OF PROPERTY, THE MANAGEMENT OF PROPERTY TAKEN
28 IN SEQUESTRATION, AND THE MANAGEMENT, SALE AND DISPOSITION OF
29 PROPERTY HERETOFORE SOLD TO THE COUNTY COMMISSIONERS, TAXING
30 DISTRICTS AND TRUSTEES AT TAX SALES; PROVIDING A METHOD FOR
31 THE SERVICE OF PROCESS AND NOTICES; IMPOSING DUTIES ON TAXING
32 DISTRICTS AND THEIR OFFICERS AND ON TAX COLLECTORS, AND
33 CERTAIN EXPENSES ON COUNTIES AND FOR THEIR REIMBURSEMENT BY
34 TAXING DISTRICTS; AND REPEALING EXISTING LAWS," FURTHER

1 PROVIDING FOR PAYMENTS OVER.

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

4 ~~Section 1. The act of August 9, 1971 (P.L.286, No.74), known~~ <—
5 ~~as the "Disposition of Abandoned and Unclaimed Property Act," is~~
6 ~~amended by adding a section to read:~~

7 ~~Section 3.1. Certain Land Subject to Custody and Control of~~
8 ~~the County. (a) Notwithstanding any other provision of this~~
9 ~~act, the proceeds from the sale of any real property sold by a~~
10 ~~county for delinquent taxes shall be held in the custody of the~~
11 ~~county treasurer for a period of three years at the end of which~~
12 ~~time the balance so held shall be distributed pro rata based on~~
13 ~~the millage imposed among the school district, the local~~
14 ~~municipality and the county as of the year such property was~~
15 ~~sold by the county.~~

16 ~~(b) Interest earned by the proceeds of the sale during the~~
17 ~~three year holding period shall revert to the county as~~
18 ~~compensation for the management thereof.~~

19 SECTION 1. SECTION 205, ACT OF JULY 7, 1947 (P.L.1368, <—
20 NO.542), KNOWN AS THE "REAL ESTATE TAX SALE LAW," REENACTED AND
21 AMENDED SEPTEMBER 27, 1973 (P.L.264, NO.74), IS AMENDED TO READ:

22 SECTION 205. SYSTEM OF ACCOUNTING AND PAYMENT OVER.--IN EACH
23 COUNTY BUREAU A SYSTEM OF ACCOUNTING AND PAYMENT OVER OF ALL
24 MONEYS COLLECTED OR RECEIVED UNDER THE PROVISIONS OF THIS ACT
25 SHALL BE ESTABLISHED IN THE BUREAU AS MAY BE DETERMINED BY THE
26 COUNTY COMMISSIONERS, THE COUNTY CONTROLLER, IF ANY, AND COUNTY
27 TREASURER.

28 ALL TAXES AND MUNICIPAL CLAIMS RECOVERED IN FULL BY THE
29 BUREAU UNDER THE PROVISIONS OF THIS ACT, WHETHER BY PAYMENT BY
30 THE OWNER BEFORE SALE, PAYMENT BY A PURCHASER WHO HAS BID THE

1 UPSET PRICE AT A SALE, BY REDEMPTION OR THROUGH SEQUESTRATION
2 SHALL BE PAID OVER TO THE TAXING DISTRICTS ENTITLED THERETO. IN
3 ALL OTHER CASES, INCLUDING NET MONEYS RECEIVED THROUGH
4 SEQUESTRATION OR FROM THE MANAGEMENT OR THROUGH PUBLIC OR
5 PRIVATE SALE OF PROPERTY, THE MONEYS RECEIVED SHALL BE PAID
6 OVER, FIRST, TO THE RESPECTIVE TAXING DISTRICTS IN PROPORTION TO
7 THE TAXES DUE THEM; SECOND, THE MUNICIPAL CLAIMS AGAINST SUCH
8 PROPERTY DUE ANY TAXING DISTRICT; THIRD, MORTGAGES AND OTHER
9 LIENS IN ORDER OF THEIR PRIORITY; AND FOURTH, EXCEPT IN CASES OF
10 PROPERTY PURCHASED BY A TAXING DISTRICT PRIOR TO THE EFFECTIVE
11 DATE OF THIS ACT AND TURNED OVER TO THE BUREAU FOR SALE, THE
12 BALANCE REMAINING SHALL BE PAID TO THE OWNER OF THE PROPERTY
13 SOLD. SUCH PAYMENTS SHALL IN ALL CASES BE LESS THE PERCENTAGE TO
14 WHICH THE COUNTY IS ENTITLED IN ACCORDANCE WITH THIS ACT:
15 PROVIDED, HOWEVER, THAT WHERE BY THE SALE OR REDEMPTION OF
16 PROPERTY, TAX LIENS OF THE COMMONWEALTH ARE RECOVERED, PAYMENT
17 SHALL FIRST BE MADE OF THE TAX LIENS OF THE COMMONWEALTH TO THE
18 STATE TREASURER THROUGH THE DEPARTMENT OF REVENUE, AND IN THE
19 CASE OF THE PUBLIC OR PRIVATE SALE OF PROPERTY BY THE BUREAU
20 AFTER THE CONTINUANCE OF A FORMER SALE, BECAUSE OF INSUFFICIENT
21 BID, THE PURCHASE PRICE RECEIVED SHALL FIRST BE APPLIED TO THE
22 SATISFACTION OF THE TAX LIENS OF THE COMMONWEALTH AND SHALL BE
23 PAID OVER IN LIKE MANNER.

24 MONEYS RECOVERED ON ACCOUNT OF COSTS, FEES AND EXPENSES
25 ADVANCED BY THE COUNTY OR ANY OTHER TAXING DISTRICT SHALL BE
26 REPAID TO THE TAXING DISTRICT MAKING THE ADVANCE. WHENEVER NO
27 CLAIM FOR PAYMENT OF ANY BALANCE DUE THE OWNER OF THE PROPERTY
28 IS PRESENTED BY OR ON BEHALF OF THE OWNER WITHIN A PERIOD OF
29 THREE YEARS OF THE DATE OF THE SALE, THE BALANCE OF THE PROCEEDS
30 SHALL BE DISTRIBUTED TO THE RESPECTIVE TAXING DISTRICTS PRORATA

1 BASED ON THE MILLAGE IMPOSED BY THE RESPECTIVE TAXING DISTRICTS
2 AS OF THE YEAR SUCH PROPERTY WAS SOLD. INTEREST EARNED BY THE
3 PROCEEDS OF THE SALE DURING THE THREE-YEAR HOLDING PERIOD SHALL
4 REVERT TO THE COUNTY.

5 THE BUREAU SHALL KEEP AN ACCURATE ACCOUNT OF ALL MONEYS
6 RECEIVED BY IT UNDER THE PROVISIONS OF THIS ACT AND A SEPARATE
7 ACCOUNT FOR EACH PROPERTY.

8 ALL PAYMENTS, OUT OF MONEYS RECOVERED, SHALL BE MADE BY THE
9 BUREAU AT STATED INTERVALS, BUT NOT LESS FREQUENTLY THAN ONCE
10 EVERY THREE (3) MONTHS.

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