

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILLNo. **735** Session of
2017

INTRODUCED BY BREWSTER, FONTANA, ARGALL, RAFFERTY, WARD,
BARTOLOTTA, COSTA, STEFANO AND HUGHES, JUNE 1, 2017

AS AMENDED ON THIRD CONSIDERATION, JUNE 21, 2018

AN ACT

1 Amending the act of July 7, 1947 (P.L.1368, No.542), entitled
2 "An act amending, revising and consolidating the laws
3 relating to delinquent county, city, except of the first and
4 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 title of the act;
29 and, in sale of property, providing for optional county
30 demolition and rehabilitation fund.

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

1 Section 1. The title of the act of July 7, 1947 (P.L.1368,
2 No.542), known as the Real Estate Tax Sale Law, is amended to
3 read:

4 AN ACT

5 Amending, revising and consolidating the laws relating to
6 delinquent county, city, except of the first and second class
7 and second class A, borough, town, township, school district,
8 except of the first class and school districts within cities
9 of the second class A, and institution district taxes,
10 providing when, how and upon what property, and to what
11 extent liens shall be allowed for such taxes, the return and
12 entering of claims therefor; the collection and adjudication
13 of such claims, sales of real property, including seated and
14 unseated lands, subject to the lien of such tax claims; the
15 disposition of the proceeds thereof, including State taxes
16 and municipal claims recovered and the redemption of
17 property; providing for the discharge and divestiture by
18 certain tax sales of all estates in property and of mortgages
19 and liens on such property, and the proceedings therefor;
20 creating a Tax Claim Bureau in each county, except counties
21 of the first and second class, to act as agent for taxing
22 districts; defining its powers and duties, including sales of
23 property, the management of property taken in sequestration,
24 and the management, sale and disposition of property
25 heretofore sold to the county commissioners, taxing districts
26 and trustees at tax sales; providing a method for the service
27 of process and notices; imposing duties on taxing districts
28 and their officers and on tax collectors, and certain
29 expenses on counties and for their reimbursement by taxing
30 districts; providing for an optional county demolition and

1 rehabilitation fund in each county; and repealing existing
2 laws.

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

4 Section 631. Optional County Demolition and Rehabilitation

5 Fund.--(a) A county of the first, second, second class A,
6 third, fourth, fifth, sixth, seventh and eighth class and home
7 rule charter county of these classes that imposes the fee
8 authorized under subsection (b) shall, by ordinance, establish a
9 county demolition and rehabilitation fund.

10 (b) The governing body of a county may, by ordinance, impose
11 a fee not to exceed ten per centum (10%) of the ~~assessed price~~ <--
12 ~~of a property being sold for delinquent taxes~~ PURCHASE PRICE <--
13 PAID FOR PROPERTY BEING SOLD FOR DELINQUENT TAXES and shall
14 provide a public notice stating the establishment of the fee and
15 its per centum rate in accordance with this act ~~or other law.~~ <--
16 ~~The bureau, taxing district or other government entity~~ <--
17 conducting the sale of the property PURSUANT TO THIS ACT shall <--
18 determine the amount of the fee based on the ~~final assessed~~ <--
19 ~~price~~ PURCHASE PRICE PAID FOR PROPERTY BEING SOLD FOR DELINQUENT <--
20 TAXES and collect it at the time of sale from the buyer as a
21 condition of conveying title to the property. The fee collected
22 shall be deposited into a fund established under subsection (a).

23 (c) An ordinance establishing a fund under subsection (a)
24 shall include all of the following:

25 (1) The method of custody, divestiture, disbursement and
26 application of moneys deposited into the fund consistent with
27 the laws of this Commonwealth and generally accepted accounting
28 principles.

29 (2) The manner of notifying the bureau, ~~taxing district or~~ <--
30 ~~any other government entity conducting~~ OF the sale of a property <--

1 PURSUANT TO THIS ACT for delinquent taxes that a fund under
2 subsection (a) has been established and that the fee imposed
3 under subsection (b) shall be collected and deposited in
4 accordance with this section.

5 (3) The fee imposed under subsection (b) shall apply to the
6 sale of a property for delinquent taxes conducted in the
7 calendar year beginning not less than ninety (90) days after the
8 effective date of the ordinance.

9 (4) Any other terms and conditions the county deems
10 reasonable and necessary for operation of a fund established
11 under subsection (a).

12 (d) A fund established under subsection (a) may be used
13 only:

14 (1) by the county; and

15 (2) upon approval of the county commissioners or other
16 governing body, by a not-for-profit or for-profit corporation
17 that has a contract with the county or a taxing district,
18 redevelopment authority, land bank or other government entity,
19 for the demolition or rehabilitation of blighted property
20 located in the county.

21 (e) This section shall not apply to a property sold for
22 delinquent real property taxes to a nonprofit entity, land bank
23 or government entity.

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