



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 388

PRINTERS NO. 1794

PRIME SPONSOR: Parker

COST / (SAVINGS)

FUND	FY 2012/13	FY 2013/14
Political Subdivision Funds	\$0	See "Fiscal Impact"

SUMMARY: Amends the Municipal Claim and Tax Lien Law (MCTL) to provide for the enforcement of delinquent property tax claims through judgment liens. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends the Municipal Claim and Tax Lien Law (Act 153 of 1923) to permit a taxing district to enforce a delinquent property tax claim in the same manner as a personal judgment, within certain limitations. Specifically, it provides that a taxing district may file a claim for unpaid property taxes in the judgment index in any court of common pleas, provided that the claim has been reduced to judgment under the Real Estate Tax Sale Law (RETSL) or the MCTL, as applicable. Upon filing, the claim becomes a judgment lien on any real property in that county that is owned by the delinquent taxpayer.

Any such lien, although based on a claim for unpaid taxes, will have the status and priority of an ordinary judgment lien. The legislation does not affect any other provision of law respecting the collection and enforcement of property taxes, and it does not alter any substantive property rights.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth or political subdivision funds. The legislation would provide municipalities and school districts the opportunity to collect additional tax revenue by effectively giving them a new enforcement mechanism. Charges, expenses, and fees, including reasonable attorney fees, shall be a lien against real property thus recoupable by the municipality or school district.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: May 13, 2013

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.