

**REAL ESTATE TAX LAW - ADDITIONAL COSTS FOR REHABILITATION AND
MAINTENANCE**

Act of Dec. 17, 2015, P.L. 448, No. 77

Cl. 53

Session of 2015

No. 2015-77

HB 909

AN ACT

Amending the act of July 7, 1947 (P.L.1368, No.542), entitled, as amended, "An act amending, revising and consolidating the laws relating to delinquent county, city, except of the first and second class and second class A, borough, town, township, school district, except of the first class and school districts within cities of the second class A, and institution district taxes, providing when, how and upon what property, and to what extent liens shall be allowed for such taxes, the return and entering of claims therefor; the collection and adjudication of such claims, sales of real property, including seated and unseated lands, subject to the lien of such tax claims; the disposition of the proceeds thereof, including State taxes and municipal claims recovered and the redemption of property; providing for the discharge and divestiture by certain tax sales of all estates in property and of mortgages and liens on such property, and the proceedings therefor; creating a Tax Claim Bureau in each county, except counties of the first and second class, to act as agent for taxing districts; defining its powers and duties, including sales of property, the management of property taken in sequestration, and the management, sale and disposition of property heretofore sold to the county commissioners, taxing districts and trustees at tax sales; providing a method for the service of process and notices; imposing duties on taxing districts and their officers and on tax collectors, and certain expenses on counties and for their reimbursement by taxing districts; and repealing existing laws," in sale of property, providing for additional costs for rehabilitation and maintenance.

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

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

Section 612.3. Additional Costs for Rehabilitation and Maintenance.--(a) Notwithstanding the limitations contained in section 206, in the case of property exposed to upset sale and not sold at upset sale, the bureau may incur, and may recover as costs from proceeds prior to any distribution in a subsequent sale to the extent authorized by this or any other act, the following:

(1) Costs of rehabilitation and maintenance as may be, in the sole discretion of the bureau, reasonably necessary to address safety issues or restore or maintain the property in a salable condition.

(2) Costs of rehabilitation and maintenance necessary to ensure the property is maintained in compliance with property maintenance codes.

(b) This section may not be construed as creating any affirmative duty on the part of the county or bureau to rehabilitate or maintain property or as imposing any liability on a county or bureau for injuries to persons or property that may occur on property subject to rehabilitation and maintenance under this section.

(c) Definitions.--As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Costs of maintenance," costs and expenses for materials and services related to the upkeep or preservation of the condition of the property, including ordinary and necessary repairs.

"Costs of rehabilitation," costs and expenses for construction, stabilization, rehabilitation, demolition and reasonable nonconstruction costs. The term includes environmental remediation, architectural, engineering and legal fees, permits, financing fees and insurance costs. The term does not include construction of new structures.

"Property maintenance codes," municipal ordinances that regulate the maintenance or development of real property. The term includes building codes, housing codes and public safety codes.

Section 2. This act shall take effect immediately.

APPROVED--The 17th day of December, A.D. 2015.

TOM WOLF