

**REAL ESTATE TAX SALE LAW - ADDING PROVISIONS RELATING TO BIDDER
REGISTRATION BEFORE SALE, DATE OF SALE, REPURCHASE BY OWNER,
RESTRICTIONS ON PURCHASES AND SALE OF PROPERTY IN REPOSITORY**
Act of Jun. 30, 2021, P.L. 180, No. 33 **Cl. 68**
Session of 2021
No. 2021-33

HB 264

AN ACT

Amending the act of July 7, 1947 (P.L.1368, No.542), entitled "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," adding provisions relating to bidder registration before sale; and, in sale of property, further providing for date of sale, for repurchase by owner, for restrictions on purchases and for sale of property in repository.

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 an article to read:

ARTICLE V-A

BIDDER REGISTRATION BEFORE SALE

Section 501-A. Duty to register.

(a) **General rule.--A person that intends to bid at a scheduled upset sale or judicial sale must appear and register at the bureau not less than 10 days before the scheduled upset sale or judicial sale.**

(b) **Bids on multiple properties.--Except if a person intends to bid on more than one property at scheduled sales conducted on the same day in the same county, each time that a person**

intends to bid at a scheduled sale, the person must comply with subsection (a).

(c) Fee.--A county may establish a fee for filing an application to register under this article.

Section 502-A. Application.

In order to register for a scheduled upset sale or judicial sale, the person must submit an application that includes the following information:

(1) If the applicant is an individual, the individual's name, residential address and phone number.

(2) If the applicant is not an individual, the applicant's name, including the name of all officers, business address and phone number.

(3) If the applicant is a limited liability company, the names, business addresses and phone numbers of all members, managers and any other persons with any ownership interest or right in the limited liability company.

(4) An affidavit stating that the applicant:

(i) is not delinquent in paying real estate taxes to any taxing district in this Commonwealth and that the applicant has no municipal utility bills, as defined in section 619.1(b), that are not more than one year outstanding anywhere in this Commonwealth;

(ii) is not bidding for or acting as an agent for a person who is barred from participating in the sale under section 601(d);

(iii) has not, within the three years preceding the filing of the application, engaged in a course of conduct or permitted an uncorrected housing code violation, as defined in section 619(e), to continue unabated after being convicted of an uncorrected housing code violation, as defined in section 619(e), and has not either:

(A) failed to maintain property owned by the applicant in a reasonable manner such that the property posed a threat to health, safety or property; or

(B) permitted the use of property in an unsafe, illegal or unsanitary manner such that the property posed a threat to health, safety or property; and

(iv) understands that an applicant who signs a bidder registration application knowing that it contains a false statement and who causes it to be filed with the bureau shall be subject to prosecution for the commission of a misdemeanor of the second degree in violation of 18 Pa.C.S. § 4904(a) (relating to unsworn falsification to authorities).

(5) If the applicant is not an individual, documentation that the signer has the authority to act on behalf of the applicant, and the individual appearing in person to register, as required under section 501-A(a), is the signer of the application or otherwise authorized to act on behalf of the applicant.

Section 503-A. List of registered bidders.

A bureau shall provide a list of completed applications received under section 502-A to all municipalities within the county by mail, email or facsimile at least five days prior to the upset sale or judicial sale. The list shall provide the name, address and phone number of the applicant. For registered bidders that are not individuals, the bureau shall provide to all municipalities the names, business addresses and phone numbers of all officers, members, managers and any other persons

with an ownership interest or right in the applicant as disclosed in the application.

Section 2. Sections 601(d), 618(a) and (c), 619(b) and 627(a) of the act are amended to read:

Section 601. Date of Sale.--* * *

(d) No individual whose landlord license has been revoked in a municipality pursuant to its ordinance may purchase property in the county in which the local municipality is located at a tax sale under this act. [Every person bidding for property to be sold at a tax sale under this act must certify that they are not bidding for or acting as an agent for a person who is barred from participating in a sale under this subsection.] Pursuant to this subsection, a municipality shall furnish to the county in which such municipality is located, within forty-eight (48) hours in advance of a tax sale, documentation relating to landlord license revocations pursuant to municipal ordinance.

* * *

Section 618. Repurchase by Owner.--(a) The owner shall have no right to purchase [his own] **the owner's** property at a judicial sale, a private sale or from the bureau's repository for unsold property under the provisions of this act.

* * *

(c) For the purpose of this section[, "owner"]:

"Owner" means any individual, partner, shareholder, trust, partnership, limited partnership, corporation or any other business association or any trust, partnership, limited partnership, corporation or any other business association that has any individual as part of the business association who had any ownership interest or rights in the property.

Section 619. Restrictions on Purchases.--* * *

(b) A municipality may, within fifteen (15) days [of] **before or after** any sale held under subarticle (b) of Article VI, petition the court of common pleas to prohibit the transfer of any deed for any property exposed for any sale under subarticle (b) of Article VI which is located in that municipality to any purchaser who is proven to meet any of the criteria set forth in the municipality's petition.

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Section 627. Sale of Property in Repository.--(a) The bureau may, with the written consent of all the taxing districts where the property is located, **establish a minimum purchase price and** accept an offer of any price **equal to or greater than the minimum purchase price** for property placed in the "repository for unsold properties" without court approval and published notice of sale. **The bureau shall require, as a condition of sale, that the purchaser provide an affidavit that includes the information specified under section 502-A .** Any taxing district may not unreasonably withhold its consent to the sale of the property[.] **and, if no consent is provided within sixty (60) days of the date notice was received by the taxing district , it shall be deemed that the taxing district consents to the sale of the property. As a condition of its consent, a taxing district may require that the purchaser:**

(1) appear in person before the governing body of the taxing district charged with reviewing repository bids; and

(2) provide all of the information required under section 502-A.

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

APPROVED--The 30th day of June, A.D. 2021.

TOM WOLF