

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 954 Session of
2001

INTRODUCED BY BRIGHTBILL, JUNE 11, 2001

REFERRED TO FINANCE, JUNE 11, 2001

AN ACT

1 Amending the act of May 25, 1945 (P.L.1050, No.394), entitled
2 "An act relating to the collection of taxes levied by
3 counties, county institution districts, cities of the third
4 class, boroughs, towns, townships, certain school districts
5 and vocational school districts; conferring powers and
6 imposing duties on tax collectors, courts and various
7 officers of said political subdivisions; and prescribing
8 penalties," further providing for installment payment of
9 taxes; and authorizing monthly installment payment of school
10 taxes.

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

13 Section 1. Section 11 of the act of May 25, 1945 (P.L.1050,
14 No.394), known as the Local Tax Collection Law, amended December
15 20, 2000 (P.L.735, No.104), is amended to read:

16 Section 11. Installment Payment of Taxes.--(a) [Any] Except
17 as otherwise provided in section 11.1, any taxing district shall
18 have power to provide by ordinance or resolution for the
19 collection and payment of its taxes in not more than four
20 installments. Where payment of taxes is made on the installment
21 basis, no abatement or discount shall be allowed on said taxes.

1 (b) (1) Any such ordinance or resolution shall set forth
2 the number of installments in which taxes shall be paid and the
3 dates when the respective installments become due and
4 delinquent. Notwithstanding the complete and final settlement
5 made in accordance with section 26, a taxing district may set
6 installment payment dates subsequent to December 31. The unpaid
7 installments shall not be considered delinquent if paid on or
8 before the respective installment dates established by ordinance
9 or resolution of the taxing district. To each installment on the
10 date when it becomes delinquent, a penalty of up to ten per
11 centum shall be added, which shall be collected by the tax
12 collector. No further penalties, except as hereinafter provided,
13 shall be added to any installment of taxes, unless one or more
14 installments remain unpaid, and the lands upon which such
15 installments are due are returned under existing laws to the
16 county commissioners for nonpayment of taxes, or in case a lien
17 for such unpaid installment or installments is filed under
18 existing laws in the office of the prothonotary, in which case,
19 the additional penalty or interest provided for by such existing
20 return and lien laws shall apply.

21 (2) If a taxing district has set installment payment dates
22 subsequent to December 31, the following shall apply:

23 (i) Installment payments subsequent to December 31 of the
24 year in which the taxes are levied shall be collected by the
25 elected tax collector.

26 (ii) The elected tax collector shall, upon the certification
27 over to him of installments remaining unpaid, proceed to collect
28 the same from the persons respectively charged therewith, for
29 which purpose he shall have all the authority and power now
30 vested by law in any tax collector for the collection of such

1 taxes. The taxing district issuing the original warrants shall
2 issue an additional warrant to the collector of installment
3 payments.

4 (iii) Installments to be made on or before December 31 of
5 the year in which taxes are levied shall be collected by the
6 elected tax collector. The elected tax collector shall be
7 allowed a credit for the total amount of all uncollected,
8 nonlienable installments not required to be paid by December 31,
9 and this amount shall be identified and carried forward on the
10 reporting form prepared by the Department of Community and
11 Economic Development in accordance with this act as nonlienable
12 installments to be collected by the installment collector.

13 (iv) The elected tax collector shall be paid such
14 commissions or compensation at the same rate on installment
15 payments as is paid for the collection of taxes generally. Such
16 commissions or compensation shall be paid by proper orders drawn
17 on the taxing district. Every elected tax collector shall be
18 responsible and accountable to the taxing district for all such
19 taxes collected by the tax collector, and the final accounts and
20 records, returns and payments, and duplicates shall be audited
21 annually in the year in which the installments are collected in
22 like manner and in accordance with the laws pertaining to tax
23 collections.

24 (c) (1) The payment of the first installment by a taxpayer
25 before the same becomes delinquent shall conclusively evidence
26 an intention to pay his taxes on the installment plan, as
27 provided by said ordinance or resolution.

28 (2) If installment payments are permitted subsequent to
29 December 31 of the year in which taxes are levied, a taxpayer
30 shall evidence his intention to make installment payments of

1 taxes after December 31 either by the timely payment to the tax
2 collector of a first installment before December 31 or, if the
3 first payment is not due before December 31, by notifying the
4 elected tax collector in writing of his intention to make
5 installment payments.

6 (d) Where a taxpayer shall fail to evidence an intention to
7 pay on the installment plan, as hereinbefore provided, his taxes
8 shall become due and payable and be collected as elsewhere
9 provided in this act, subject to the discounts and penalties
10 provided thereby.

11 (e) The provisions of this section shall apply to cities of
12 the second class A.

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

14 Section 11.1. Monthly Installment Payment of School Taxes.--

15 (a) Any school district shall have power to provide by
16 ordinance or resolution for the collection and payment of its
17 taxes in not more than twelve monthly installments. Where
18 payment of taxes is made on the installment basis, no abatement
19 or discount shall be allowed on said taxes.

20 (b) (1) Any such ordinance or resolution shall set forth
21 the number of installments in which taxes shall be paid and the
22 dates when the respective installments become due and
23 delinquent. Notwithstanding the complete and final settlement
24 made in accordance with section 26, a school district may set
25 installment payment dates subsequent to December 31. The unpaid
26 installments shall not be considered delinquent if paid on or
27 before the respective installment dates established by ordinance
28 or resolution of the school district. To each installment on the
29 date when it becomes delinquent, a penalty of up to ten per
30 centum shall be added, which shall be collected by the elected

tax collector. No further penalties, except as hereinafter provided, shall be added to any installment of taxes, unless one or more installments remain unpaid, and the lands upon which such installments are due are returned under existing laws to the county commissioners for nonpayment of taxes, or in case a lien for such unpaid installment or installments is filed under existing laws in the office of the prothonotary, in which case, the additional penalty or interest provided for by such existing return and lien laws shall apply.

(2) The elected tax collector shall be paid such commissions or compensation at the same rate on installment payments as is paid for the collection of taxes generally. Such commissions or compensation shall be paid by proper orders drawn on the school district. Every elected tax collector shall be responsible and accountable to the school district for all such taxes collected by the tax collector, and the final accounts and records, returns and payments, and duplicates shall be audited annually in the year in which the installments are collected in like manner and in accordance with the laws pertaining to tax collections.

(c) (1) The payment of the first installment by a taxpayer before the same becomes delinquent shall conclusively evidence an intention to pay his taxes on the installment plan, as provided by said ordinance or resolution.

(2) If installment payments are permitted subsequent to December 31 of the year in which taxes are levied, a taxpayer shall evidence his intention to make installment payments of taxes after December 31 either by the timely payment to the tax collector of a first installment before December 31 or, if the first payment is not due before December 31, by notifying the

1 elected tax collector in writing of his intention to make
2 installment payments.

3 (d) Where a taxpayer shall fail to evidence an intention to
4 pay on the installment plan, as hereinbefore provided, his taxes
5 shall become due and payable and be collected as elsewhere
6 provided in this act, subject to the discounts and penalties
7 provided thereby.

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