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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 653 Session of  
2017

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INTRODUCED BY BROWNE, BOSCOLA, FOLMER, MENSCH, MCGARRIGLE,  
BARTOLOTTA, SCAVELLO, REGAN, EICHELBERGER, YUDICHAK,  
BREWSTER, WILLIAMS, LAUGHLIN AND MARTIN, MAY 24, 2017

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REFERRED TO LOCAL GOVERNMENT, MAY 24, 2017

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AN ACT

1 Amending the act of December 31, 1965 (P.L.1257, No.511),  
2 entitled "An act empowering cities of the second class,  
3 cities of the second class A, cities of the third class,  
4 boroughs, towns, townships of the first class, townships of  
5 the second class, school districts of the second class,  
6 school districts of the third class and school districts of  
7 the fourth class including independent school districts, to  
8 levy, assess, collect or to provide for the levying,  
9 assessment and collection of certain taxes subject to maximum  
10 limitations for general revenue purposes; authorizing the  
11 establishment of bureaus and the appointment and compensation  
12 of officers, agencies and employes to assess and collect such  
13 taxes; providing for joint collection of certain taxes,  
14 prescribing certain definitions and other provisions for  
15 taxes levied and assessed upon earned income, providing for  
16 annual audits and for collection of delinquent taxes, and  
17 permitting and requiring penalties to be imposed and  
18 enforced, including penalties for disclosure of confidential  
19 information, providing an appeal from the ordinance or  
20 resolution levying such taxes to the court of quarter  
21 sessions and to the Supreme Court and Superior Court," in  
22 local taxes, further providing for collection; in  
23 consolidated collection of local income taxes, further  
24 providing for tax collection committees and for powers and  
25 duties of tax officer; in collection of delinquent taxes,  
26 further providing for costs of collection; and making a  
27 related editorial change.

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

30 Section 1. Section 313(a), Chapter 5 heading, section 505(a)

1 and section 509(k) of the act of December 31, 1965 (P.L.1257,  
2 No.511), known as The Local Tax Enabling Act, are amended to  
3 read:

4 Section 313. Collection of Taxes.--(a) Administrative  
5 Personnel; Joint Agreements.--

6 (1) Except as provided in section 506 and subject to the  
7 provisions of section 509, any political subdivision is hereby  
8 authorized to provide by ordinance or resolution for the  
9 creation or designation of tax bureaus or the appointment and  
10 compensation of a political subdivision, public employe, tax  
11 bureau or public or private agency for the assessment and  
12 collection of taxes imposed under authority of this chapter.  
13 Each ordinance or resolution under this section authorizing a  
14 political subdivision, public employe, tax bureau or public or  
15 private agency to act in the capacity and with the authority of  
16 a tax collector shall continue in force without annual  
17 reauthorization unless otherwise repealed or revoked by the  
18 political subdivision or unless otherwise provided by this act.

19 (2) Except as provided in section 506 and subject to the  
20 provisions of section 509, political subdivisions imposing taxes  
21 under authority of this chapter are authorized to make joint  
22 agreements for the collection of such taxes or any of them. The  
23 same political subdivision, tax bureau or public or private  
24 agency may be employed by two or more political subdivisions to  
25 collect any taxes imposed by them under authority of this  
26 chapter.

27 \* \* \*

28 CHAPTER 5

29 CONSOLIDATED COLLECTION OF LOCAL [INCOME] TAXES

30 Section 505. Tax collection committees.

1 (a) General rule.--Subject to the provisions of subsection  
2 (m) and section 509(k), each tax collection district shall be  
3 governed by a tax collection committee constituted and operated  
4 as set forth in this section. Meetings of the tax collection  
5 committee shall be conducted under 65 Pa.C.S. Ch. 7 (relating to  
6 open meetings) and the act of June 21, 1957 (P.L.390, No.212),  
7 referred to as the Right-to-Know Law.

8 \* \* \*

9 Section 509. Powers and duties of tax officer.

10 \* \* \*

11 (k) Collection.--In addition to the powers and duties  
12 enumerated in this section, a tax officer:

13 (1) shall collect each tax which is authorized under  
14 sections 301.1 and 303 except tax upon the transfer of real  
15 property or of an interest in real property; and

16 (2) when designated by the tax collection committee, [a  
17 tax officer] may collect other taxes levied pursuant to [this  
18 act,] the act of June 27, 2006 (1st Sp.Sess., P.L.1873,  
19 No.1), known as the Taxpayer Relief Act, or other statutory  
20 law.

21 Section 2. Section 707 heading of the act is amended and the  
22 section is amended by adding a subsection to read:

23 Section 707. Costs of Collection of Delinquent Per Capita,  
24 Occupation, Occupational Privilege, Emergency and Municipal  
25 Services, Local Services [and], Income and Payroll Taxes.--\* \* \*

26 (d) A contingent fee audit may not be conducted in the  
27 collection of delinquent taxes.

28 Section 3. Nothing in this act shall be construed to  
29 terminate or modify the terms of a contract in effect on the  
30 effective date of this act for the term of that contract unless

1 otherwise agreed to in writing by the parties to the contract.

2 Section 4. This act shall take effect January 1, 2018.