

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 735 Session of 2017

INTRODUCED BY BREWSTER, FONTANA, ARGALL, RAFFERTY, WARD,  
BARTOLOTTA AND COSTA, JUNE 1, 2017

REFERRED TO URBAN AFFAIRS AND HOUSING, JUNE 1, 2017

AN ACT

1 Amending the act of July 7, 1947 (P.L.1368, No.542), entitled  
 2 "An act amending, revising and consolidating the laws  
 3 relating to delinquent county, city, except of the first and  
 4 second class and second class A, borough, town, township,  
 5 school district, except of the first class and school  
 6 districts within cities of the second class A, and  
 7 institution district taxes, providing when, how and upon what  
 8 property, and to what extent liens shall be allowed for such  
 9 taxes, the return and entering of claims therefor; the  
 10 collection and adjudication of such claims, sales of real  
 11 property, including seated and unseated lands, subject to the  
 12 lien of such tax claims; the disposition of the proceeds  
 13 thereof, including State taxes and municipal claims recovered  
 14 and the redemption of property; providing for the discharge  
 15 and divestiture by certain tax sales of all estates in  
 16 property and of mortgages and liens on such property, and the  
 17 proceedings therefor; creating a Tax Claim Bureau in each  
 18 county, except counties of the first and second class, to act  
 19 as agent for taxing districts; defining its powers and  
 20 duties, including sales of property, the management of  
 21 property taken in sequestration, and the management, sale and  
 22 disposition of property heretofore sold to the county  
 23 commissioners, taxing districts and trustees at tax sales;  
 24 providing a method for the service of process and notices;  
 25 imposing duties on taxing districts and their officers and on  
 26 tax collectors, and certain expenses on counties and for  
 27 their reimbursement by taxing districts; and repealing  
 28 existing laws," further providing for the title of the act;  
 29 and, in sale of property, providing for optional county  
 30 demolition and rehabilitation fund.

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

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

4 AN ACT

5 Amending, revising and consolidating the laws relating to  
6 delinquent county, city, except of the first and second class  
7 and second class A, borough, town, township, school district,  
8 except of the first class and school districts within cities  
9 of the second class A, and institution district taxes,  
10 providing when, how and upon what property, and to what  
11 extent liens shall be allowed for such taxes, the return and  
12 entering of claims therefor; the collection and adjudication  
13 of such claims, sales of real property, including seated and  
14 unseated lands, subject to the lien of such tax claims; the  
15 disposition of the proceeds thereof, including State taxes  
16 and municipal claims recovered and the redemption of  
17 property; providing for the discharge and divestiture by  
18 certain tax sales of all estates in property and of mortgages  
19 and liens on such property, and the proceedings therefor;  
20 creating a Tax Claim Bureau in each county, except counties  
21 of the first and second class, to act as agent for taxing  
22 districts; defining its powers and duties, including sales of  
23 property, the management of property taken in sequestration,  
24 and the management, sale and disposition of property  
25 heretofore sold to the county commissioners, taxing districts  
26 and trustees at tax sales; providing a method for the service  
27 of process and notices; imposing duties on taxing districts  
28 and their officers and on tax collectors, and certain  
29 expenses on counties and for their reimbursement by taxing  
30 districts; providing for an optional county demolition and

1 rehabilitation fund in each county; and repealing existing  
2 laws.

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

4 Section 631. Optional County Demolition and Rehabilitation  
5 Fund.--(a) A county of the first, second, second class A,  
6 third, fourth, fifth, sixth, seventh and eighth class and home  
7 rule charter county of these classes that imposes the fee  
8 authorized under subsection (b) shall, by ordinance, establish a  
9 county demolition and rehabilitation fund.

10 (b) The governing body of a county may, by ordinance, impose  
11 a fee not to exceed ten per centum (10%) of the assessed price  
12 of a property being sold for delinquent taxes and shall provide  
13 a public notice stating the establishment of the fee and its per  
14 centum rate in accordance with this act or other law. The  
15 bureau, taxing district or other government entity conducting  
16 the sale of the property shall determine the amount of the fee  
17 based on the final assessed price and collect it at the time of  
18 sale from the buyer as a condition of conveying title to the  
19 property. The fee collected shall be deposited into a fund  
20 established under subsection (a).

21 (c) An ordinance establishing a fund under subsection (a)  
22 shall include all of the following:

23 (1) The method of custody, divestiture, disbursement and  
24 application of moneys deposited into the fund consistent with  
25 the laws of this Commonwealth and generally accepted accounting  
26 principles.

27 (2) The manner of notifying the bureau, taxing district or  
28 any other government entity conducting the sale of a property  
29 for delinquent taxes that a fund under subsection (a) has been  
30 established and that the fee imposed under subsection (b) shall

1 be collected and deposited in accordance with this section.

2 (3) The fee imposed under subsection (b) shall apply to the  
3 sale of a property for delinquent taxes conducted in the  
4 calendar year beginning not less than ninety (90) days after the  
5 effective date of the ordinance.

6 (4) Any other terms and conditions the county deems  
7 reasonable and necessary for operation of a fund established  
8 under subsection (a).

9 (d) A fund established under subsection (a) may be used  
10 only:

11 (1) by the county; and

12 (2) upon approval of the county commissioners or other  
13 governing body, by a not-for-profit or for-profit corporation  
14 that has a contract with the county or a taxing district,  
15 redevelopment authority, land bank or other government entity,  
16 for the demolition or rehabilitation of blighted property  
17 located in the county.

18 (e) This section shall not apply to a property sold for  
19 delinquent real property taxes to a nonprofit entity, land bank  
20 or government entity.

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