

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 851 Session of 2017

INTRODUCED BY ARGALL, MCGARRIGLE, RAFFERTY, WARD, BARTOLOTTA, RESCHENTHALER, VULAKOVICH, BROWNE AND MENSCH, SEPTEMBER 12, 2017

REFERRED TO URBAN AFFAIRS AND HOUSING, SEPTEMBER 12, 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," in short title and definitions, further
 29 providing for definitions; and, in sale of property, further
 30 providing for repurchase by owner and providing for
 31 limitation on trusteeship and for ownership interests and
 32 responsibilities of delinquent property owner.

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

3 Section 1. Section 102 of the act of July 7, 1947 (P.L.1368,
4 No.542), known as the Real Estate Tax Sale Law, is amended by
5 adding a definition to read:

6 Section 102. Definitions.--As used in this act, the
7 following words shall be construed as herein defined, unless the
8 context clearly indicates otherwise:

9 * * *

10 "Delinquent property owner," a person, whose taxes on the
11 subject property are delinquent and in whose name the property
12 is last registered, if registered according to law or, if not
13 registered according to law, the person whose name last appears
14 as an owner of record on a deed or instrument of conveyance
15 recorded in the county office designated for recording. In all
16 other cases, the term means a person in open, peaceable and
17 notorious possession of property as apparent owner or reputed
18 owner of the property.

19 * * *

20 Section 2. Section 618 of the act is amended by adding a
21 subsection to read:

22 Section 618. Repurchase by Owner.--* * *

23 (a.1) Notwithstanding subsection (a), if a property remains
24 unsold after an upset sale and on the docket of a bureau, the
25 bureau may accept full payment for the property from or on
26 behalf of the owner. Full payment shall include the upset sale
27 price of the property calculated under section 605, plus any
28 additional tax claims, tax liens or tax judgments filed or
29 entered against the property and any costs, fees expenses or
30 interest incurred or accrued on the property subsequent to the

1 upset sale. The bureau may not accept partial payments or enter
2 into an installment agreement with an owner whose property
3 remains unsold after an upset sale. The receipt of full payment
4 pursuant to this subsection shall discharge the tax claims, tax
5 liens or tax judgments entered against the property. The subject
6 property shall be removed from further exposure to sale, and a
7 note thereof shall be made on the docket and index.

8 * * *

9 Section 3. Article VI of the act is amended by adding a
10 subarticle to read:

11 (g) Ownership and Maintenance of Property.

12 Section 641. Limitation on Trusteeship.--(a) A county or
13 bureau shall hold property subject to sale under this act only
14 as trustee and shall exercise only such control over the
15 property as may be necessary or implied in order to convey the
16 property or otherwise further the purposes of this act.

17 (b) A county or bureau shall not have any civil or criminal
18 liability or have any obligation for maintenance or for nuisance
19 remediation of tax-delinquent property, regardless of whether
20 the property has been exposed to an upset sale, unless the
21 county or bureau purchases the property as provided in section
22 612.1. A trusteeship under this act shall not be considered the
23 care, custody or control of real property under 42 Pa.C.S. §
24 8542(b)(3) (relating to exceptions to governmental immunity).

25 (c) Notwithstanding subsection (b), a county or bureau may,
26 at its discretion and subject to section 612.3, rehabilitate and
27 maintain property of which the county or bureau is a trustee
28 without consent of the delinquent property owner. This
29 authorization shall not diminish the responsibility of a
30 delinquent property owner as provided in section 642.

1 Section 642. Ownership Interests and Responsibilities of
2 Delinquent Property Owner.--(a) At the time a property that is
3 tax delinquent is exposed to, but not sold at, an upset sale,
4 legal title to the property shall remain with the delinquent
5 property owner until the bureau transfers the deed as trustee
6 grantor to a purchaser.

7 (b) Nothing in this act shall be construed to relieve a
8 delinquent property owner of civil or criminal liability or for
9 an obligation for maintenance or for nuisance remediation of the
10 tax-delinquent property to the extent the liability is imposed
11 by law or ordinance.

12 Section 4. This act shall apply to sales conducted on or
13 after the effective date of this section.

14 Section 5. This act shall take effect in 60 days.