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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2058 Session of  
2019

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INTRODUCED BY KEEFER, NOVEMBER 19, 2019

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REFERRED TO COMMITTEE ON FINANCE, NOVEMBER 19, 2019

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AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania  
2 Consolidated Statutes, in assessments of persons and  
3 property, providing for senior citizen tax sale deferral.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Chapter 85 of Title 53 of the Pennsylvania  
7 Consolidated Statutes is amended by adding a subchapter to read:

8 SUBCHAPTER G

9 SENIOR CITIZEN TAX SALE DEFERRAL

10 Sec.

11 8591. Scope of subchapter.

12 8592. Definitions.

13 8593. When tax sales to be deferred.

14 8594. Continuation of assessment.

15 8595. Income eligibility.

16 8596. Application procedure.

17 8597. Contents of application.

18 8598. Attachment and satisfaction of liens.

19 § 8591. Scope of subchapter.

1 This subchapter relates to senior citizen tax sale deferral.

2 § 8592. Definitions.

3 The following words and phrases when used in this subchapter  
4 shall have the meanings given to them in this section unless the  
5 context clearly indicates otherwise:

6 "Claimant." An individual who is a senior citizen and whose  
7 household income does not exceed the limit provided for in  
8 section 8595 (relating to income eligibility).

9 "Farmstead property." As defined in section 8582 (relating  
10 to definitions).

11 "Homestead property." As defined in section 8401 (relating  
12 to definitions).

13 "Household income." All income as defined in section 1303 of  
14 the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known  
15 as the Taxpayer Relief Act, received by a claimant and the  
16 claimant's spouse during a calendar year for which tax sale  
17 deferral is claimed.

18 "Senior citizen." An individual who is at least 65 years of  
19 age and has been a resident of this Commonwealth for a period of  
20 at least five continuous years.

21 "Tax sale immunity." The right of a claimant to a deferral,  
22 in accordance with this subchapter, from the procedure by which  
23 a sheriff is authorized to conduct a sale of the claimant's  
24 homestead property or farmstead property as a result of failure  
25 to pay real property taxes on the property.

26 § 8593. When tax sales to be deferred.

27 A political subdivision may not commence or continue tax sale  
28 proceedings for unpaid real property taxes on homestead property  
29 or farmstead property of a claimant and may not assess  
30 additional penalties, fees, fines or penalties on the unpaid

1 balance of the real property taxes, unless as provided in this  
2 subchapter.

3 § 8594. Continuation of assessment.

4 Notwithstanding the provisions of section 8593 (relating to  
5 when tax sales to be deferred), a political subdivision may  
6 continue to assess the homestead property or farmstead property  
7 of a claimant who is entitled to tax sale deferral.

8 § 8595. Income eligibility.

9 A claimant shall be eligible for tax sale deferral if the  
10 claimant and the claimant's spouse have a household income not  
11 exceeding 500% of the poverty threshold for a two-person  
12 household as calculated by the United States Census Bureau.

13 § 8596. Application procedure.

14 (a) Initial application.--A person eligible for tax sale  
15 deferral may apply annually to the political subdivision. In the  
16 initial year of application, the following information shall be  
17 provided in the manner required by the political subdivision:

18 (1) A statement of request for the tax sale deferral.

19 (2) A certification that the applicant or the applicant  
20 and his or her spouse jointly are senior citizens and the  
21 owners in fee simple of the homestead property or farmstead  
22 property upon which the real property taxes are imposed.

23 (3) A certification that the applicant's homestead  
24 property or farmstead property is adequately insured under a  
25 homeowner's policy to the extent of all outstanding liens.

26 (4) Proof of income eligibility under section 8595  
27 (relating to income eligibility).

28 (5) Any other information required by the political  
29 subdivision.

30 (b) Subsequent years.--After the initial approval of an

1 application for tax sale deferral, the claimant shall remain  
2 eligible for tax sale deferral in subsequent years so long as  
3 the claimant continues to meet the eligibility requirements of  
4 this subchapter.

5 § 8597. Contents of application.

6 An application for tax sale deferral distributed to persons  
7 shall contain the following:

8 (1) A statement that the tax sale deferral granted to  
9 senior citizens under this subchapter is provided in exchange  
10 for a lien against the homestead property or farmstead  
11 property of the applicant.

12 (2) An explanation of the manner in which the deferred  
13 tax sale shall occur, and the unpaid balance of the real  
14 property taxes payable and include, at a minimum, the  
15 consequences of noncompliance with the provisions of this  
16 subchapter.

17 § 8598. Attachment and satisfaction of liens.

18 (a) Nature of lien.--All taxes deferred under this  
19 subchapter shall constitute a prior lien on the homestead  
20 property or farmstead property of the claimant in favor of the  
21 political subdivision and shall attach as of the date and in the  
22 same manner as other real estate tax liens. The deferred taxes  
23 shall be collected as other real estate tax liens, but the  
24 deferred taxes shall be due, payable and delinquent only as  
25 provided in this subchapter.

26 (b) Payment.--

27 (1) All or part of the deferred taxes may at any time be  
28 paid to the political subdivision.

29 (2) In the event that the deferred taxes are not paid by  
30 the claimant or the claimant's spouse during his or her

1 lifetime or during their continued ownership of the homestead  
2 property or farmstead property, the deferred taxes shall be  
3 paid either:

4 (i) prior to the conveyance of the homestead  
5 property or farmstead property to a third party; or

6 (ii) prior to the passing of the legal or equitable  
7 title, either by will or by statute, to the heirs of the  
8 claimant or the claimant's spouse.

9 (3) The surviving spouse of a claimant shall not be  
10 required to pay the deferred taxes by reason of his or her  
11 acquisition of the homestead property or farmstead property  
12 due to death of the claimant as long as the surviving spouse  
13 maintains his or her domicile in the property. The surviving  
14 spouse may continue to participate in the tax sale deferral  
15 program in subsequent years provided the surviving spouse is  
16 eligible under the provisions of this subchapter.

17 Section 2. This act shall take effect in 60 days.