

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 574 Session of 2021

INTRODUCED BY BREWSTER, FONTANA, COLLETT, YUDICHAK, COSTA, KANE, BOSCOLA AND HAYWOOD, APRIL 20, 2021

REFERRED TO URBAN AFFAIRS AND HOUSING, APRIL 20, 2021

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

1 county demolition and rehabilitation fund; and repealing
2 existing laws.

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

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

10 (b) The governing body of a county may, by ordinance, impose
11 a fee not to exceed two hundred fifty dollars (\$250) for the
12 sale of any property being sold in accordance with this act or
13 an action for mortgage foreclosure and shall provide a public
14 notice stating the establishment of the fee and its rate in
15 accordance with this act. In addition to the purchase price, the
16 bureau conducting the sale of the property in accordance with
17 this act or the sheriff in a mortgage foreclosure action shall
18 collect the fee authorized by this section at the time of sale
19 from the buyer as a condition of conveying title to the
20 property. The fee collected shall be deposited into a fund
21 established under subsection (a).

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

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

28 (2) The manner of notifying the bureau, the sheriff and the
29 prothonotary of the sale of a property in accordance with this
30 act or a mortgage foreclosure action that a fund under

1 subsection (a) has been established and that the fee imposed
2 under subsection (b) shall be collected and deposited as
3 provided by this section.

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

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

11 (d) A fund established under subsection (a) may be used
12 only:

13 (1) by the county; and

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

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

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