

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 149 Session of 2023

INTRODUCED BY BREWSTER, FONTANA, COLLETT, KANE, COSTA AND STREET, JANUARY 19, 2023

SENATOR FARRY, URBAN AFFAIRS AND HOUSING, AS AMENDED, MAY 9, 2023

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

1 hereby enacts as follows:

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

5 AN ACT

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

1 districts; providing for a county demolition and
2 rehabilitation fund; and repealing 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 OR TO A PROPERTY ACQUIRED BY THE
23 PENNSYLVANIA HOUSING FINANCE AGENCY.

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