

**REAL ESTATE TAX SALE LAW - REPURCHASE BY OWNER, LIMITATION ON
TRUSTEESHIP AND OWNERSHIP INTERESTS AND RESPONSIBILITIES OF
DELINQUENT PROPERTY OWNER**

Act of Jun. 19, 2018, P.L. 239, No. 38

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SB 851

AN ACT

Amending the act of July 7, 1947 (P.L.1368, No.542), entitled "An act amending, revising and consolidating the laws relating to delinquent county, city, except of the first and second class and second class A, borough, town, township, school district, except of the first class and school districts within cities of the second class A, and institution district taxes, providing when, how and upon what property, and to what extent liens shall be allowed for such taxes, the return and entering of claims therefor; the collection and adjudication of such claims, sales of real property, including seated and unseated lands, subject to the lien of such tax claims; the disposition of the proceeds thereof, including State taxes and municipal claims recovered and the redemption of property; providing for the discharge and divestiture by certain tax sales of all estates in property and of mortgages and liens on such property, and the proceedings therefor; creating a Tax Claim Bureau in each county, except counties of the first and second class, to act as agent for taxing districts; defining its powers and duties, including sales of property, the management of property taken in sequestration, and the management, sale and disposition of property heretofore sold to the county commissioners, taxing districts and trustees at tax sales; providing a method for the service of process and notices; imposing duties on taxing districts and their officers and on tax collectors, and certain expenses on counties and for their reimbursement by taxing districts; and repealing existing laws," in short title and definitions, further providing for definitions; and, in sale of property, further providing for repurchase by owner and providing for limitation on trusteeship and for ownership interests and responsibilities of delinquent property owner.

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

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

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

* * *

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

* * *

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

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

(a.1) Notwithstanding subsection (a), if a property remains unsold after an upset sale and on the docket of a bureau, the bureau may accept full payment for the property from or on behalf of the owner. Full payment shall include all delinquent taxes returned to the bureau and any costs, penalties and interest due at the time the owner appears to pay the taxes. The bureau may not accept partial payments or enter into an installment agreement with an owner whose property remains unsold after an upset sale. The receipt of full payment pursuant to this subsection shall discharge the tax claims entered against the property. The subject property shall be removed from further exposure to sale, and a note thereof shall be made on the docket and index.

* * *

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

(g) Ownership and Maintenance of Property.

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

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

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

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

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

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

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

APPROVED--The 19th day of June, A.D. 2018.

TOM WOLF