

*the lien, notice of the filing and the effect of the lien shall be sent by registered mail to the taxpayer at his last known post office address. No prothonotary shall require as a condition *precedent to the entry of such liens, the payment of any costs incident thereto.*

Priority of lien.

(b) The lien imposed hereunder shall have priority from the date of its recording as aforesaid, and shall be fully paid and satisfied out of the proceeds of any judicial sale of property subject thereto before any other obligation, judgment, claim, lien or estate to which said property may subsequently become subject, except costs of the sale and of the writ upon which the sale was made, and real estate taxes and municipal claims against such property, but shall be subordinate to mortgages and other liens existing and duly recorded or entered of record prior to the recording of the tax lien. In the case of a judicial sale of property subject to a lien imposed hereunder upon a lien or claim over which the lien imposed hereunder has priority, as aforesaid, such sale shall discharge the lien imposed hereunder to the extent only that the proceeds are applied to its payment, and such lien shall continue in full force and effect as to the balance remaining unpaid.

The department may at any time transmit, to the prothonotaries of the respective counties of the Commonwealth to be by them entered of record and indexed as judgments are now indexed, certified copies of all liens, and a writ of execution may directly issue upon such lien without the issuance and prosecution to judgment of a writ of scire facias: Provided, That not less than ten days before issuance of any execution on the lien, notice of the filing and the effect of the lien shall be sent certified mail to the taxpayer at his last known post office address.

(c) The lien imposed hereunder shall continue for five years from the date of its entry of record, and may be renewed and continued in the manner now or hereafter provided for the renewal of judgments, or as may be provided in "The Fiscal Code," as amended.

Lien for five years.

Section 2. This act shall take effect immediately.

Act effective immediately.

APPROVED—The 24th day of August, A. D. 1963.

WILLIAM W. SCRANTON

No. 479

AN ACT

Amending the act of April 9, 1929 (P. L. 343), entitled "An act relating to the finances of the State government; providing for

* "preceding" in original.

the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," providing that certain lien and priority provisions shall be superseded by any lien and priority provisions contained in the act, imposing the particular tax to the extent inconsistent therewith, and for the divestiture of State tax liens in case of judicial sales on liens having priority thereto.

The Fiscal Code.

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

Section 1401, act of April 9, 1929, P. L. 343, reenacted August 19, 1953, P. L. 1146, amended.

Section 1. Section 1401, act of April 9, 1929 (P. L. 343), known as "The Fiscal Code," reenacted August 19, 1953 (P. L. 1146), is amended to read:

Section 1401. Liens of Taxes, Interest, Penalties, and Other Accounts Due to the Commonwealth.—All State taxes imposed under the authority of any law of this Commonwealth, now existing or that may hereafter be enacted, and unpaid bonus, penalties, and all public accounts settled, assessed or determined against any corporation, association, or person, including interest thereupon, shall be a first lien upon the franchises and property, both real and personal, of such corporation, association, or person, from the date of settlement, assessment or determination, *except as otherwise expressly provided by law under which the claim of the Commonwealth arises*, and whenever the franchise or property of a corporation, association or person shall be sold at a judicial sale, all taxes, interest, bonus, penalties, and public accounts due the Commonwealth shall first be allowed and paid out of the proceeds of such sale before any judgment, mortgage, or any other claim or lien against such corporation, association, or person *except as otherwise expressly provided by law under which the claim of the Commonwealth arises*: Provided, however, Where the lien of a ground rent, mortgage, or other lien created by or entered against a predecessor

in title to such corporation, association, or person, *or of any mortgage or other lien to which priority over the Commonwealth's lien is allowed by the provisions of the law under which the claim of the Commonwealth arises* is discharged by a judicial sale, the lien of the Commonwealth shall be transferred from the property sold to the fund realized from the sale, and the purchaser shall take free of the lien of the Commonwealth, notwithstanding that the fund may be insufficient to pay all or any part of the same, [and on] *unless such sale is upon a lien subordinate to the Commonwealth's lien in which case the Commonwealth's lien to the extent not paid from the proceeds shall continue in full force and effect.* On distribution of the fund, the Commonwealth's lien shall be postponed in payment to said lien or liens created by or entered against such predecessor in title *or other mortgagee or lien holder having priority as aforesaid,* but shall not be postponed in payment to local taxes or municipal claims, *except as otherwise expressly provided by law under which the claim of the Commonwealth arises:* Provided further, That the Department of Revenue, with the approval of the Attorney General and Auditor General, may release from the lien of such taxes, such part or parts of the real property of any corporation, as may be requested by such corporation or owners or lien creditors thereof, upon payment of such proportionate part of the taxes due as the value of the real property released bears to the value of all the real property bound by such lien, except in cases where the value of the real property requested to be released is less than the proportionate share of the taxes due, then upon payment of such portion of the taxes due as may be deemed equitable by the Department of Revenue, with approval of the Attorney General and Auditor General, not exceeding, however, the value of the real property requested to be released, and the department shall furnish the person or corporation paying such tax with a certificate showing the property released, which certificate may be recorded in the office of the recorder of deeds of the county in which the land lies. But the lien of transfer inheritance taxes shall be limited to the property chargeable therewith, and, unless such taxes shall be sued for within five years after they are due, they shall cease to be a lien as against any purchaser of real estate.

Section 2. This act shall take effect immediately.

Act effective
immediately.

APPROVED—The 24th day of August, A. D. 1963.

WILLIAM W. SCRANTON