

## No. 57

## AN ACT

## HB 1818

Amending the act of July 5, 1947 (P. L. 1258), entitled "An act authorizing and empowering city treasurers of cities of the second class to sell at public sale, lands or real estate upon which the taxes, assessed and levied by the city or school district, are delinquent and unpaid; fixing the interests of all taxing authorities where such lands are purchased by the city; providing for the distribution of moneys received as income from or resale of such lands; and providing for a method of reselling such lands purchased, by the city or by the city and school district within said city, at any sale for the nonpayment of taxes, free and clear of all mortgages, ground rents, interest in or claims against said lands," authorizing the public sale of lands or real estate for delinquent and unpaid water rents and sewage service charges and changing the distribution of proceeds of resale of property purchased by the city where the proceeds are less than all taxes and claims.

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

Section 1. Sections 1, 2, 3, 4, 5, 6, 7, 10, 11 and 16, of the act of July 5, 1947 (P. L. 1258), entitled "An act authorizing and empowering city treasurers of cities of the second class to sell at public sale, lands or real estate upon which the taxes, assessed and levied by the city or school district, are delinquent and unpaid; fixing the interests of all taxing authorities where such lands are purchased by the city; providing for the distribution of moneys received as income from or resale of such lands; and providing for a method of reselling such lands purchased, by the city or by the city and school district within said city, at any sale for the nonpayment of taxes, free and clear of all mortgages, ground rents, interest in or claims against said lands," are amended to read:

Section 1. In addition to the remedies now provided by law for the collection of delinquent city taxes, water rents and sewage service charges, the city treasurers of cities of the second class of this Commonwealth are hereby authorized and empowered to sell at public sale, in the manner hereinafter provided, property upon which the taxes, assessed and levied, or the water rents and sewage service charges imposed, have not been paid and have become delinquent.

Such sales shall be made on the first Monday in June in the year succeeding the year in which the respective taxes are assessed and levied, or the water rents and sewage service charges imposed, or on any day to which such sale may be adjourned, or on any first Monday of June in any succeeding year. The term "sewage service charges" used in this act shall include charges imposed by cities of the second class or charges imposed by a municipal authority for which cities

of the second class become liable on failure of property owner to make payment.

Section 2. Where the respective treasurer has not already in his hands, the duplicates of said taxes, water rents and sewage service charges or certificates or schedules thereof, it shall be the duty of any receiver or collector of taxes, or other person having such delinquent taxes, water rents and sewage service charges in his hands, to certify to the said city treasurer schedules of all unpaid taxes, water rents and sewage service charges, with descriptions of the property assessed, or as to which water rents and sewage service charges have been imposed, and it shall be the duty of the city treasurer to advertise for sale all the lands upon which it appears the taxes, water rents and sewage service charges have not been paid as shown by the duplicates in his hands, or by the returns, or schedules certified to him as aforesaid. Said advertisement shall be made once a week for three successive weeks prior to the day of sale in at least two newspapers of general circulation, and in the legal newspaper printed and published in the respective city. The treasurer shall also cause to be posted or tacked in a conspicuous place on each parcel or lot of land, advertised for sale, at least ten days prior to the day of sale, a notice stating that said lands will be sold by said treasurer for delinquent taxes, water rents or sewage service charges on a certain day and time and at a certain place within the city, for which posting of notice he shall receive and tax as costs one dollar. No sale shall be valid where the taxes, water rents or sewage service charges have been paid prior to said advertisement or where the taxes, water rents or sewage service charges and costs have been paid after advertisement and before sale.

Section 3. The lands sold under this act may be redeemed by the owner or by any one interested in said lands, at any time within one year after such sale, by the payment to the city treasurer of the full amount which the purchaser paid to said treasurer for taxes, water rents or sewage service charges and costs and ten per centum in addition thereto, and when the sale has been made for less than the taxes, water rents or sewage service charges and costs, the party redeeming shall pay to said treasurer the balance of taxes, water rents or sewage service charges and costs which were not made by the sale of the

said property. In case there are any city or school taxes, water rents or sewage service charges levied or imposed, either before or after the said sale, which remain unpaid, the person redeeming shall pay the same and all penalties, interest and lien costs thereon, and in case the purchaser has paid any taxes, water rents or sewage service charges of any kind whatsoever, assessed and levied or imposed against said property, the same shall be reimbursed to said purchaser before any redemption shall take effect. The said treasurer shall keep in his office a book or schedule in which he shall enter all the sales made by him, giving a description of each property sold, the name of the person as the owner thereof, as the same appears upon the duplicate or has been returned to him, the time of sale and the price at which sold, together with the cost. Each respective city shall have the right to bid at any such sale, the amount of taxes, water rents or sewage service charges and costs and, if necessary, purchase such lands.

Section 4. It shall be the duty of the purchaser or purchasers at said treasurer's sale, as soon as the property is struck down, to pay the amount of the purchase money, and before delivery of deed, all other city and school taxes, water rents or sewage service charges and municipal claims, penalties, interest and lien costs, if such purchase money is insufficient for the payment thereof, and also one dollar and fifty cents for the use of the prothonotary for entering the report of the treasurer and acknowledgment of the treasurer's deed, as hereinafter mentioned, and in case said amount is not forthwith paid after the property is struck down, the sale may be avoided and the property immediately put up again by the said treasurer: Provided, however, That this section shall not apply when the lands are purchased by said city.

Section 5. It shall be the duty of the city treasurer at the first term of a court of common pleas of the proper county succeeding such sale to make a report and return, wherein he shall set forth a brief description of the land or property sold, the name of the person (where known) in which the same is assessed, the amount of tax and the year for which the same is assessed and, where appropriate, the amount of water rents or sewage service charges and the year for which the same is imposed, the time when and the newspapers in which the advertisement for sale was made, with a copy of said advertisement, the time of sale, the name of the purchaser and the price for which each respective property was sold; and upon the presentation of said report or return, if it shall appear to said court that such sale has been regularly conducted under the provisions of

this act, the said report and the sale so made shall be confirmed nisi, in case no objections or exceptions are filed to said sale within ten days, a decree of absolute confirmation may be entered, as of course, by the prothonotary. In case any objections or exceptions are filed, they shall be disposed of according to the practice of said courts, and when the same are overruled or set aside, a decree of absolute confirmation shall be entered, as aforesaid, but all objections or exceptions shall be confined to the regularity of the proceedings of said treasurer.

Section 6. After any sale of property or lands for delinquent taxes, water rents or sewage service charges has been confirmed by the court, as aforesaid, it shall be the duty of the purchaser or purchasers, where the bid exceeds the taxes, water rents or sewage service charges and costs, as aforesaid, to make and execute to the said treasurer for the use of the persons entitled, a bond for the surplus money that may remain after satisfying and paying all the taxes, water rents or sewage service charges and costs as aforesaid with warrant of attorney to confess judgment annexed thereto, and it shall be the duty of said treasurer to forthwith file said bond in the office of the prothonotary of the proper county at the number and term where said report and return is filed and the surplus bond filed, as aforesaid, from the time of the date of the deed for property thus sold shall bind, as effectually and in like manner as judgments, the land by said treasurer sold into whose hands or possession soever they may come, and the owner of said lands at the time of sale, their heirs or assigns, or other legal representatives, may, at any time within five years after such sale, cause judgment to be entered in said court upon said bond in the name of said treasurer for the use of said owners, their heirs, assigns or legal representatives (as the case may be), and in case the moneys mentioned in said bonds, with legal interest thereon from the time it is demanded, be not paid within three months after such entry, execution may forthwith issue for the recovery thereof.

Section 7. Where the purchaser has paid the amount of his bid and all other city and school taxes, water rents or sewage service charges, penalties, interest and lien costs, if any, and has given the surplus bond, as above required if necessary, it shall be the duty of the city treasurer to make the said purchaser or purchasers, his or their heirs or assigns, a deed in fee simple for the lands sold as aforesaid, and the said deed or deeds to duly acknowledge in the court of common pleas, and such acknowledgment shall be duly entered and recorded by the prothonotary of said court in the treasurer's deed book, and for such service and the entry of the report of said treasurer, said prothonotary shall receive the sum of one dollar and fifty cents.

Section 10. The interests of all taxing authorities, having taxes or claims against any property sold to any city of the second class by the city treasurer under the provisions of this act, shall be fixed and determined as of the time of the certification by the city treasurer, as provided for in section [eight] nine, and shall remain fixed without

the necessity of filing or reviving liens or otherwise preserving such taxes or claims, and shall take priority over all mortgages, ground rents or claims whatsoever until said taxes or claims are fully paid, or otherwise divested by law, and if the said city received income from the property, it shall distribute any net income first to the cost of the treasurer's sale and the balance to the interested taxing authorities in proportion to their taxes and claims against the property, until such taxes and claims have been liquidated, and thereafter in proportion to their rate of tax levy within the city.

Section 11. If upon a resale by the city of any property purchased by it under this act, either for a sum sufficient to pay all taxes and claims, or for a lesser sum as provided hereinafter, it should be deemed necessary by said city to conduct proceedings, hereinafter set forth, to perfect its tax title acquired at the treasurer's sale [It], it shall be lawful for the said city to deduct the costs of said proceedings from the sale price, as well as the cost of the original tax sale and the usual commission to a real estate broker, if any, before distribution of the balance; and if the sale price or balance remaining is more than sufficient to pay all taxes and claims, then the sum left, after all taxes and municipal claims have been satisfied, shall be distributed to the interested taxing authorities in proportion to their rate of tax levy upon real estate within the city at the time of resale. If, however, such sum is less than all taxes and municipal claims, such sum shall be distributed to the interested taxing authorities in proportion to their total tax and municipal claims against the property regardless of priority of lien, and such taxes and municipal claims shall be considered as fully paid and satisfied.

Section 16. All lands heretofore or hereafter purchased by any city of the second class or school district within such city at a sheriff's sale, treasurer's sale or any sale for the nonpayment of city or school taxes, water rents or sewage service charges, and held beyond the period of redemption, may be sold to a purchaser under the terms of sections eleven, twelve, thirteen and fourteen of this act.

Section 2. This act shall take effect immediately.

APPROVED—The 3rd day of May, A. D. 1968.

RAYMOND P. SHAFER