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Tax Collector's Manual

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Tax Collector's Manual

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Forward

This manual is issued for the guidance and assistance of the elected tax collectors of Pennsylvania. It contains information on the powers and duties of the office and the restrictions placed by law on the exercise of those powers. The material presented applies only to tax collectors of third class cities, boroughs and townships in their role as collectors of county, municipal and school real estate taxes and per capita and occupation taxes levied under the municipal codes. References to collection of per capita and occupation taxes levied under the Local Tax Enabling Act have been included because the elected tax collector is often designated the agent to collect these taxes.

Descriptions of the office of tax collector and its powers and duties relate solely to those jurisdictions operating under the municipal codes. In home rule municipalities, each home rule charter will designate the office responsible for collection of taxes and provide for the duties and responsibilities of the office. As home rule counties are free to make their own arrangements for tax collection, local elected tax collectors in the municipal units within those counties may or may not continue to be responsible for collection of county taxes.

The material contained in this manual is for informational purposes only. It does not constitute legal opinion and should not be construed as such. Tax collectors seeking legal opinions on matters relating to their offices should contact the solicitors for their taxing districts.

Table of Contents

I. Designation of Tax Collector	1
County Taxes	1
Act 511 Taxes	1
Municipal Assessments	2
II. Qualifying for Office	3
Incompatible Offices	3
Ethics Law Disclosure Statements	3
Election	3
Oath	3
Municipal Tax Collector Qualification Program	4
III. Term of Office	5
Collecting Taxes After Term Expires	5
Removal From Office	5
Vacancies	5
Collecting Taxes After Death or Default of Tax Collector	6
IV. Bonds	8
Third Class City Treasurers	8
First Class Township Treasurers	8
Borough and Township Tax Collectors	9
V. Compensation	10
Setting Compensation	10
Method of Compensation	10
Challenging Compensation Level	11
Changing Compensation	11
Paying Compensation	12
Commissions on Noncode Taxes	12
Fringe Benefits	12
Association Memberships	13
VI. Office Administration	15
Office Facilities	15
Office Supplies	16
Office Hours	17
Deputies and Assistants	17
VII. Records and Reports	19
Accounts	19
Reports to Taxing Districts	20
Notice for Sheriff Sales	20
Certifications for Real Estate Sales	20
Fees for Other Tax Collector Services	21
Mobile Home Removal Permits	21

VIII. Tax Duplicate	22
Delivery of Duplicate	22
Interim Real Estate Taxes	23
Adding Names to Duplicate	23
IX. Tax Notice	24
Form of Tax Notice	24
Local Taxpayers' Bill of Rights	25
Billing Utility Charges	25
Identification of Taxpayer	26
Discounts and Penalties	26
Tax Escrow Accounts Held by a Homeowner's Mortgage Company	27
X. Payment of Taxes	29
Tax Receipts	29
Installment Payments	29
Installment Payments of School Real Property Taxes Under the Taxpayer Relief Act . . .	30
Outsourcing of the Collection of Installment Payments	31
Assignment of Installment Claims	31
Consideration of an Increase of Compensation of Tax Collector	31
Payment by the Tax Collector	32
Errors in Duplicate	32
Assessment Appeals	32
XI. Exonerations	34
Granting Exonerations	34
Effect of Exoneration	35
Abatements	35
XII. Remedies for Collecting Delinquent Taxes	36
Distress and Sale of Personal Property	36
Rent Sequestration	37
Wage Attachment	37
Payroll Deductions from Local Government Employees	38
Set Off Against Claims Due by Political Subdivision	39
Suit in Assumpsit	39
Delinquent Tax Collector	39
XIII. Paying Over Tax Receipts	41
XIV. Closing Out Duplicate	43
Settlement of Accounts	43
Discharging Bond Liability	43
Audit	44
Certificate of Liability	44
Sale of Real Estate for Unpaid Taxes	45
XV. Tax Collector Liability	47
Local Tax Collection Law	49

I. Designation of Tax Collector

The local tax collector is the municipal officer designated to collect municipal and school real estate and personal taxes levied under the municipal codes, and in most cases county real estate and personal taxes. In boroughs and second class townships, the office is designated as tax collector; in third class cities and first class townships, the elected treasurer is designated tax collector.¹ In home rule municipalities, the home rule charter or administrative code designates the officer to collect local taxes. Some home rule charters provide for an elected tax collector or treasurer, while others have appointed tax-collecting officers.

Municipal tax collectors collect school taxes levied under the authority of the Public School Code, including school real estate taxes.² There is no authority for a school district to collect these taxes through its own employees; this function has been assigned to the municipal tax collectors.³

Unseated Lands. In seventh and eighth class counties, taxes on unseated lands are paid to the county treasurer who distributes them among the taxing districts entitled to these taxes. In other counties, taxes on unseated lands are collected in the same manner and at the same time as taxes on seated lands.⁴ Unseated lands include tracts lacking a residence or those not cultivated or improved, usually wild or mountain land.

County Taxes

In the majority of counties, municipal tax collectors collect county real estate, per capita and occupation taxes. Under special legislation, county taxes in Allegheny County are collected by the county treasurer.⁵ Other special local laws enacted in the nineteenth century and which are still in effect make the county treasurer the collector of county taxes in Beaver, Chester, Greene, Lawrence and Washington counties.⁶ Counties adopting home rule charters may opt to collect their own taxes. Currently, Delaware, Lackawanna and Northampton counties collect their own taxes under their home rule authority.

Third Class Cities; Home Rule Municipalities. In third through eighth class counties, the county commissioners may provide for the collection of county taxes levied in third class cities by the county treasurer. In municipalities adopting home rule charters or optional plans where the office of tax collector is no longer elective, the county commissioners may provide for the billing and collection of county taxes by the county treasurer. In municipalities where an employee or official collects the municipality's taxes because of a vacancy in the office of tax collector, the county commissioners may provide for the collection of county taxes by the county treasurer, the municipality or a tax collector in a neighboring municipality.⁷

Act 511 Taxes

The Local Tax Enabling Act (*Act 511 of 1965*) authorizes municipalities and school districts to provide their own arrangements for collecting taxes levied under the Act.⁸ The authorization in Act 511 supersedes any statement in the municipal codes designating the tax collector/treasurer as the sole collector of taxes.⁹

School districts and municipalities with powers to levy taxes under the Local Tax Enabling Act have discretion to appoint the elected tax collector to collect some or all of their Act 511 taxes. When so appointed, the tax collector must collect these taxes.¹⁰

In most local units, the elected tax collector is not designated collector for all Act 511 taxes. Act 511 per capita and occupation taxes are most often collected by the elected tax collector since these are billed and collected once a year, usually with the jurisdiction's real estate and code per capita and occupation taxes. Earned income

taxes are usually collected by specialized bureaus or private collection agencies. Mercantile, business privilege and amusement taxes are often collected by municipal licensing agencies.

Municipal Assessments

In second class townships, the tax collector is responsible for collecting assessments for street lights and fire hydrants and for garbage collection levied in special districts of the township.¹¹ In first class townships, the treasurer collects assessments for street lights and for ornamental street lighting systems.¹²

References

1. 53 P.S. 37532; Third Class City Code, Section 2532; 53 P.S. 46086; Borough Code, Section 1086; 53 P.S. 55805; First Class Township Code, Section 805; 53 P.S. 66001; Second Class Township Code, Section 1001.
2. *Bogdan v. School District of Coal Township*, 85 A.2d 139,369 Pa. 143, at 151, 1952; *City of Carbondale v. Neary*, 85 D.&C. 597, C.P. Lackawanna Co., 1953.
3. *Abington School District v. Yost* 397 A.2d 453, 40 Pa. Cmwlt. 312, at 320, 1979; *Penn-Delco School District v. Schukraft* 506 A.2d 956, 95 Pa. Cmwlt. 619, 1986.
4. 72 P.S. 5511.23; Local Tax Collection Law, Section 23.
5. 72 P.S. 5527; 1929 P.L. 134, Section 1.
6. 1853 P.L. 5, 1868 P.L. 595, 1855 P.L. 528, 1852 P.L. 197; *Lawrence County v. Horner*, 281 Pa. 336, 1924.
7. 16 P.S. 1701.1; County Code, Section 1701.1.
8. 53 P.S. 6910; Local Tax Enabling Act, Section 10; *Sullivan v. Peters*, 265 A.2d 799, 438 Pa. 460, 1970.
9. *Jennings v. Lackawanna Township* 70 D.&C. 342, at 343, Lackawanna Co., 1942.
10. *Borger v. Pleasant Valley School District*, 551 A.2d 648, 122 Pa. Cmwlt. 187, 1988.
11. 53 P.S. 68301; Second Class Township Code, Section 3301.
12. 53 P.S. 56513; First Class Township Code, Section 1502.XIII.

II. Qualifying for Office

There are only minimal qualifications for candidates for local tax collector. In third class cities, the city treasurer must be a competent accountant, 21 years of age or more, and a resident of the city for a year before the election.¹ Status as a public accountant or certified public accountant is not necessary; an individual can be a qualified accountant through training and experience.² In first class townships, the only qualification is being a registered voter of the municipality. In boroughs and second class townships, the tax collector must have resided in the municipality for one year before the election and continue to reside there during the term of office.³

Incompatible Offices

All tax collectors are prohibited from simultaneously holding the offices of district attorney⁴ and school director.⁵ City treasurers may not serve as election officers.⁶ In boroughs and townships, the tax collector may hold no other elective municipal office.⁷ In boroughs with populations with more than 3,000, the tax collector may not also serve as a borough employee.⁸ In first class townships, the treasurer is prohibited from holding any other township office, but in second class townships the tax collector is not prohibited from holding other appointive offices. For instance, a second class township secretary could become tax collector either through election or appointment to fill a vacancy.

Ethics Law Disclosure Statements

Candidates for the office of tax collector or treasurer must file a Statement of Financial Interest with their municipal office before filing nomination petitions. In addition, a copy of the statement must be attached to the petitions. No successful candidate is permitted to take the oath of office, enter upon its duties or receive compensation unless the disclosure statement has been filed. Incumbent tax collectors and treasurers must file a new statement for the prior calendar year by May 1 of each year. Statements of incumbent officials are filed only with the municipality.⁹

Election

The tax collector is elected for a 4 year term at the municipal election in odd-numbered years. City treasurers are not all elected at the same municipal election, but all borough and township tax collectors are elected in 2001 and at 4 year intervals following.

In cities, the treasurer must present a certificate of election at the organization meeting of council; this certificate is filed among the city archives.¹⁰ In boroughs, certificates of election are filed with the borough secretary and retained for 6 years.¹¹

Oath

All candidates for elective office must file an oath or affirmation with the nomination petitions or papers. The candidate must swear or affirm to support, obey and defend both federal and state constitutions and exercise the duties of office with fidelity.¹² Appointees to vacancies must file a similar oath.

City treasurers must take the oath prescribed in Article VI, Section 3 of the Pennsylvania Constitution before entering office.¹³ In boroughs and townships, the tax collector must take an oath and file it with the clerk of courts before entering office.¹⁴ Township treasurers and tax collectors must take an oath to support the state and federal constitutions and to perform the duties of office with fidelity. A copy of this oath must be filed with the township secretary within 10 days in first class townships and before assuming office in second class townships.¹⁵

Tax collectors should take a new oath at the beginning of each term of office. Oaths may be administered by a number of officials, including district justices and notaries public. A logical official to administer the oath is the one with whom the oath is filed. The city clerk has power to administer oaths in city affairs and the clerk of courts can also administer oaths.

Municipal Tax Collector Qualification Program

A 2001 act encourages tax collectors to attend training and complete testing to become qualified tax collectors.¹⁶ This voluntary program was created to increase the knowledge and professionalism of tax collectors and is a useful tool to help tax collectors sharpen their skills as municipal tax collectors.

Any individual may attend the in-depth training sessions, which focus on procedures for collecting taxes, the local tax collection law, auditing, accounting, ethics, computerization and recent court decisions affecting tax collectors. The individual must complete the basic training program before taking the exam. Individuals that successfully pass the exam will receive a certificate stating that they are a qualified tax collector. The certificate is valid for one year. The Department of Community and Economic Development administers the program and maintains a register of qualified tax collectors.

Each qualified tax collector must attend 6 hours of continuing education each year to maintain their status as a qualified tax collector. Continuing education courses will focus on accounting, auditing, computerization, ethics, procedures for collecting taxes, recent court decisions affecting tax collectors, and local tax collection laws and other tax-related statutes.

Any tax collector who has served 8 or more terms is exempted from this program.

References

1. 53 P.S. 36401; Third Class City Code, Section 1401.
2. *Conte Nomination Petition*, 49 Delaware 115, at 116, 1962.
3. 53 P.S. 45801; Borough Code, Section 801; 53 P.S. 65406; Second Class Township Code, Section 406.
4. 16 P.S. 1401; County Code, Section 1401.
5. 24 P.S. 3-322; Public School Code, Section 322; *Kurtz v. Steinhart*, 60 D.&C. 345, at 358, C.P. Northumberland Co., 1947.
6. 25 P.S. 2672; Election Code, Section 402; *Armstrong Township Tax Collector Election*, 27 D.&C.2d 333, C.P. Lycoming Co. 1962.
7. 53 P.S. 45801; Borough Code, Section 801; 53 P.S. 55511; First Class Township Code, Section 511; 53 P.S. 65407; Second Class Township Code, Section 407.
8. 53 P.S. 46104; Borough Code, Section 1104.
9. 65 Pa.C.S.A. 1101.1.
10. 53 P.S. 35704; Third Class City Code, Section 704.
11. 53 P.S. 45803; Borough Code, Section 803.
12. 65 P.S. 224; Pennsylvania Loyalty Act, Section 14.
13. 53 P.S. 35905; Third Class City Code, Section 905.
14. 72 P.S. 5511.4; Local Tax Collection Law, Section 4; 53 P.S. 55806; First Class Township Code, Section 806.
15. 53 P.S. 55601; First Class Township Code, Section 601; 53 P.S. 65501; Second Class Township Code, Section 501.
16. 72 P.S.5511.4a.

III. Term of Office

All tax collectors are elected for 4-year terms beginning the first Monday in January following the municipal election. In cities and first class townships, the treasurer serves until a successor is elected or appointed and qualifies.¹ In the event no treasurer is elected, or a newly-elected treasurer fails to qualify, the incumbent treasurer remains in office until the governing body appoints an individual to fill the vacancy.

In boroughs and second class townships, tax collectors only serve until the first Monday in January 4 years after their election.² If for any reason a successor is not elected or fails to qualify, the position remains vacant until the governing body appoints an individual to fill the vacancy.

Collecting Taxes After Term Expires

Tax collectors are the only elected officials to retain responsibilities of office after their terms officially expire. Except for city treasurers, tax collectors remain responsible for any duplicates currently in their possession at the time their terms expire.³ Since the duplicate remains in force until settlement, taxing authorities may choose to extend the tax collector's authority and obligation to collect taxes on the duplicates in their possession beyond their elective term.⁴ Tax collectors would continue to collect the taxes on their duplicates until settlement is made. Tax collectors continue to receive compensation for these duties at the rate set before their election. Tax collectors resigning in the middle of their terms must continue to collect taxes from any duplicates in their possession until settlement. Any new duplicates are issued to the appointed replacement.

At the expiration of their terms, treasurers in third class cities turn over any duplicates with unpaid taxes in their possession to their successors after their accounts have been audited and adjusted. The new treasurer proceeds to collect any taxes remaining unpaid on the duplicate.⁵

Removal From Office

In 1995, the Pennsylvania Supreme Court struck down all legislative provisions for removal of an elected official for failure to perform the duties of office, and clarified that the only constitutional method for removal of an elected official is contained in Article VI, Section 7 of the Pennsylvania Constitution.⁶

Under the Pennsylvania Constitution, elected officers hold their offices only during good behavior. Tax collectors can be removed from office: (1) by impeachment in the General Assembly; (2) by the Governor for reasonable cause after due notice and full hearing on the address of two thirds of the Senate; or (3) by the courts after conviction of misbehavior in office or of any infamous crime.⁷

Vacancies

Vacancies in the office of tax collector are filled by the municipal governing body.⁸ In cities, council appoints a person to fill the vacancy to serve until a successor is elected at the next municipal election occurring at least 200 days after the vacancy occurs.⁹ If there is more than two years remaining in the term, the person elected serves to the remainder of the original term. If the original term expires at the next municipal election, the successor is elected for a full term as treasurer. If council fails to act, citizens can appeal to the court.

In boroughs and townships, the governing body must take official action to accept the resignation of the tax collector and fill the vacancy by appointment within 30 days. If the governing body fails to act within 30 days the vacancy board, consisting of the governing body and a chairman appointed at the organization meeting,

fills the vacancy within 15 additional days. After that time, the court may be petitioned to fill the vacancy. The tax collector appointed to a vacancy holds office, if the term continues so long, until the first Monday in January after the first municipal election occurring more than 60 days after the vacancy occurs. At this election, an eligible person will be elected for the remainder of the term.¹⁰

A provision in the Public School Code allowing the board of school directors to appoint a tax collector in the event of vacancy in the office of municipal tax collector is obsolete in view of the detailed provisions added to the municipal codes by the General Assembly to ensure vacancies in elective municipal offices are filled in a timely manner.¹¹ The court had previously held this provision was merely supplementary to the power conferred on municipal governing bodies to fill vacancies in the office of tax collector.¹² The court found it was a settled legislative policy to have a single tax collector, elected by the people, to collect local taxes. Primary authority resides in the municipal governing body, rather than the school district, to fill any vacancies in this elective office.

When a vacancy exists, the governing body of a taxing district may, by ordinance or resolution, enter into an agreement with an adjoining or conveniently located taxing district for the joint collection of taxes. Two or more taxing districts may enter into the agreement.¹³

Collecting Taxes After Death or Default of Tax Collector

If the tax collector defaults on remitting taxes within the required time period, it is the responsibility of the taxing districts to notify the surety of the default. The surety for the bond may demand the duplicates from the tax collector. If the tax collector does not turn over the duplicates, the surety can petition the court for an order. Delinquency or default must be found as a fact by the court before an order is made. The court will consider proper credits and exonerations and whether a good reason in law exists for the absence of a return. The surety has the right to appoint a collector to collect remaining taxes on the duplicate. The taxing bodies can issue an additional warrant to the collector of these delinquent taxes on the request of the surety. This provision allows taxing districts, through pressure of the surety, to get rid of defaulting or delinquent tax collectors and forms an additional resource for ensuring taxes are collected.¹⁴

Death does not relieve the tax collector's responsibility for collecting the taxes on the duplicate. In the event of the death of a tax collector, the executors or the administrators of the estate have the same powers to enforce collection of unpaid taxes as the tax collector would have if living. Tax collectors should name a responsible party in their wills. The executors or administrators may employ a tax collector to collect the remaining taxes on any unsettled duplicate in possession of the deceased collector.¹⁵ If no executor or administrator has been appointed to administer the estate within 15 days after the tax collector's death, the surety may petition the court to take over the duplicates. The surety proceeds to collect unpaid taxes until an executor or administrator is appointed. However, even where an executor takes over the duplicate with a new bond, the original surety is not relieved of responsibility for the duplicate of a deceased tax collector.¹⁶

When a resignation occurs, the courts have held that the surety is responsible for the entire shortage declared by the tax collector at the time of resignation, but the surety may recoup monies collected during the tax collector's term of office but paid over to the local government after the tax collector's resignation.¹⁷

References

1. 53 P.S. 35904; Third Class City Code, Section 904; 53 P.S. 55502; First Class Township Code, Section 502.
2. 53 P.S. 45804; Borough Code, Section 804; 53 P.S. 65406; Second Class Township Code, Section 406.
3. 72 P.S. 551 1.29; Local Tax Collection Law, Section 29.
4. *Heald v. Conneaut School District* 9 D.&C.3d 703, at 710, C.P. Crawford Co., 1979.
5. 72 P.S. 5511.28; Local Tax Collection Law, Section 28; 53 P.S. 36407; Third Class City Code, Section 1407.
6. *In re Petition to Recall Reese*, 665 A.2d 1162, 542 Pa. 114, Sup. 1995.
7. Constitution of Pennsylvania, Article VI, Sections 6 and 7.
8. *Dahl v. Wooster*, 11 D.&C.2d 682, C.P. Lawrence Co., 1957.
9. 53 P.S. 35802; Third Class City Code, Section 802.
10. 53 P.S. 45901; Borough Code, Section 901; 53 P.S. 55530; First Class Township Code, Section 530; 53 P.S. 65407; Second Class Township Code, Section 407.
11. 24 P.S. 6-683; Public School Code, Section 683.
12. *Commonwealth ex rel. Davis v. Blume*, 161 A. 551, 307 Pa. 406, at 417, 1932.
13. 72 P.S. 5511.4.2; Local Tax Collection Law, Section 4.2.
14. 72 P.S. 5511.40; Local Tax Collection Law, Section 40; *American Surety Company's Case*, 181 A. 364, 319 Pa. 549, at 552, 1935.
15. 72 P.S. 5511.30; Local Tax Collection Law, Section 30.
16. 72 P.S. 5511.40; Local Tax Collection Law, Section 40(b-1); *Commonwealth v. Long*, 167 A.509, 110 Pa. Super.1, at 4, 1933.
17. *Central Bucks School District v. Cogan*, 719 A.2d, 130 Ed. Law Rep. 220, Pa Cmwth, 1998.

IV. Bonds

A bond is a legal promise of a personal or corporate surety to be responsible for and to reimburse the taxing district for the losses of the tax collector, up to the amount of the bond, from causes stipulated on the bond. Since 1953, tax collectors have been required to give corporate surety with a surety company authorized to act as a surety. All tax collectors must provide a bond to secure the respective taxing districts against any losses of tax funds. There are two types of bonds. A fidelity bond makes the surety liable only for losses resulting from acts of dishonesty by the tax collector. A performance bond makes the surety liable for the tax collector's failure to collect and pay over the whole amount assessed and charged on the duplicate.

Traditionally, the tax collector secured the bond from a surety company, with only city councils given the right to exercise some authority over the designation of the bonding company.¹ The surety company must be authorized to do business in Pennsylvania by the State Insurance Commissioner. The Local Tax Collection Law was amended in 1977 to authorize county commissioners to require joint bidding for bonds of local tax collectors within the county.² Where joint county bonding is in effect, the local tax collector no longer has a role in choosing the bonding company. Where instituted, joint bidding becomes mandatory for all county, borough, township and school district taxes. Cities have the option of participating in joint county bidding with all other taxing districts for tax collector bonds.

Failure of the tax collector to give bond creates a vacancy in boroughs and second class townships.³ In cities and first class townships, failure to give bond results in a failure to qualify for office. Certainly, no unbonded treasurer can proceed to collect taxes.

Third Class City Treasurers

The city treasurer is required to give a fidelity bond with a surety company authorized to do business in Pennsylvania.⁴ The bond must cover all moneys received in the capacity of city treasurer and as collector of city, school and, where applicable, county taxes. The amount of the bond is set by city council, but any taxing district served by the treasurer may petition the court to increase the amount of the bond up to a maximum of 100% of the taxes on its duplicate. The treasurer furnishes a single bond for the entire four-year term of office to cover all duties. In addition, the treasurer must furnish insurance coverage against loss from fire, theft or forgery.

The bond and insurance premium costs are shared by the taxing districts in proportion to the amount of taxes collected on their respective duplicates of the previous year.⁵ Deputies, clerks and assistants of the treasurer must also be bonded, with the premium shared on a proportional basis by the taxing districts.

First Class Township Treasurers

The bond for first class township treasurers is a fidelity bond in an amount set by ordinance or resolution, not less than 50 percent of the annual duplicate but not more than 100 percent.⁶ The surety company must be authorized to do business in Pennsylvania. The bond must cover the treasurer's responsibilities as township treasurer, as well as collector of township, school and, where applicable, county taxes. The treasurer is bonded once to cover all responsibilities for the full term of office, but signs an annual renewal of the bond. Any taxing district can require additional bond coverage at its own expense. Each taxing district shares the cost of the bond premium in proportion to the amount of taxes in its duplicate.⁷

Borough and Township Tax Collectors

In boroughs and second class townships, the tax collector is bonded with a single surety (performance) bond to cover municipal, school and, where applicable, county taxes.⁸ The amount is set by the court, but cannot exceed the combined annual duplicates. At the option of the tax collector, the bond can be for a single year, or cover the entire term. Any taxing district can appeal to the court if it feels the amount of the bond is not sufficient. The premium of the bond is paid by the taxing districts in an amount proportional to their share of the total annual duplicates of the tax collector.⁹ The bond must be filed in the office of the clerk of courts before the tax collector enters on the duties of office, but no later than the fifteenth of March. Tax collectors appointed to fill a vacancy must meet the same bonding requirements as elected tax collectors.

References

1. 53 P.S. 36402; Third Class City Code, Section 1402.
2. 72 P.S. 5511.4; Local Tax Collection Law, Sections 4(a) and 4(b),
3. 53 P.S. 45901; Borough Code, Section 901; 53 P.S. 65406; Second Class Township Code, Section 406.
4. 72 P.S. 5511.4; Local Tax Collection Law, Section 4(a); 53 P.S. 36402; Third Class City' Code, Section 1402.
5. 72 P.S. 5511.33; Local Tax Collection Law, Section 33.
6. 53 P.S. 55801; First Class Township Code, Section 801.
7. 72 P.S. 5511.4; Local Tax Collection Law, Section 4(b.1).
8. 72 P.S. 5511.4; Local Tax Collection Law, Section 4(b).
9. 72 P.S. 5511.4; Local Tax Collection Law, Section 4(b.1).

V. Compensation

Compensation of the tax collector is fixed by the taxing districts and paid by them. However, the tax collector's relationship with the taxing district is not contractual. As a public officer, the right of the tax collector to receive the compensation of the office is legislative, not contractual.¹

Setting Compensation

City treasurers are paid an annual salary for collecting taxes, set before the election of the treasurer.² The salary is fixed by joint action. The city council, school board and, where applicable, county commissioners are each given one vote. Each taxing authority's vote is divided into equal fractions for each of its members. The compensation is determined by a majority of the fractional votes.

Compensation for treasurers in first class townships is set independently by the taxing districts.³ Compensation as township treasurer and tax collector is set by an ordinance of the township commissioners; total compensation for township duties is not to exceed \$10,000 a year.⁴ If the commissioners have not established a rate by ordinance, the treasurer receives the statutory rate of 5 percent of taxes collected and 1 percent of other township funds received, subject to the \$10,000 maximum. The school board sets compensation for collection of school taxes at a salary or commission not to exceed 5 percent of the amount of taxes collected. When the treasurer collects county taxes, the county commissioners set a salary or commission for collection of county taxes at a rate not to exceed 5 percent of the amount of taxes collected.

In boroughs and second class townships, the compensation for the tax collector is set independently by each taxing district.⁵ Borough council, township supervisors, school directors and where applicable, county commissioners, fix the compensation in the form of a salary, wages or a commission, with the total compensation not to exceed 5 percent of the amount of taxes collected for each unit except for second class townships with populations less than 3,000, where it is not to exceed 10 percent.

In fixing tax collector compensation, a taxing district shall provide a method whereby a tax collector will receive additional remuneration for work related to collection efforts with regard to taxes levied and assessed upon a duplicate issued after an interim assessment. The additional compensation required may be based on the issuance of an interim bill or calculated in any other manner permitted by this act.

Method of Compensation

Third class city treasurers receive a salary and cannot be paid on a commission basis. In boroughs and townships, the tax collector may be compensated on a salary, commission or mixed basis. When a school district covers more than one municipality, the school board can set a separate commission rate based on the difficulty of collecting taxes in each municipality.⁶ The courts have also upheld sliding scale compensation schedules, based on the extent various collection responsibilities are voluntarily delegated to the school district or to a deputized bank.⁷ In these cases, the school district resolution requested, but did not mandate, delegation of certain functions. The amount of compensation was based on the number of functions retained by the tax collector.

When compensation is on a commission basis, the taxing district can set a lower rate for taxes collected during the discount period. In 1913, boroughs and townships were given flexibility to set the commission within the 5 percent limit, and in 1961 they were given the power to set a salary or wage scale for the tax collector.

The commission does not apply to lien taxes, except where the tax collector serves as delinquent tax collector; the commission received for the collection of delinquent taxes is established by the taxing district.⁸ The tax collector receives no compensation for taxes returned to the county tax claim bureau.⁹

Challenging Compensation Level

While the legislature has given taxing districts the power to set the tax collector's compensation, this power is not absolute. Courts can intervene in cases of abuse of discretion.¹⁰ The public interest is affected whether the collector's compensation is grossly excessive or entirely inadequate; both constitute capricious action on the part of the taxing body. Courts can both raise and lower compensation levels set by the taxing districts.

The courts can intervene in setting the tax collector's salary where the governing body is guilty of a misapplication of law, a clear abuse of discretion or arbitrary and capricious action resulting in an unlawful expenditure of public funds. Intervention is not warranted by a mere difference in opinion on the judgment exercised by the taxing body.¹¹

Compensation levels should be challenged by citizens or candidates for the office of tax collector immediately after they are set. Candidates have been advised to file a statement with the clerk of courts indicating they do not agree with the compensation level. They should subsequently seek legal assistance, either on their own or with other persons affected by the compensation level set by the taxing body. In cases where tax collectors were aware of the change in compensation, stood as candidates and were elected, sworn into office, accepted duplicates and collected taxes, these actions were seen as tacit acceptance of the compensation level as set.¹² Appeals to the court after taking office must prove clear abuse of discretion by the taxing body. In a case where tax collectors demonstrated the new rate of compensation set by a school district would be financially detrimental to them, the court held this did not establish bad faith or lack of authority on the part of the district.¹³ The tax collectors failed to present evidence that the district acted with improper motive or intent, but solely differed on what they considered adequate compensation.

Changing Compensation

Any action by a taxing district to raise or reduce the compensation of the tax collector must be finally passed or adopted prior to the fifteenth day of February of the year of the municipal election where the office is filled.¹⁴ The intent of this section is to prevent a change in the arrangement a taxing body has with its tax collector during the term of office. Where compensation is set on a commission basis, the actual amount can vary depending on the size of the duplicate, as long as the commission rate is unchanged.¹⁵ A special exception enacted in 1996 allows supervisors of second class townships with a population of less than 3,000 to increase the commission level of the tax collector during the term of office to prevent the compensation from dropping when the millage rate is cut.¹⁶

The February 15 deadline for changing compensation has also been extended to taxing district actions to alter fringe benefits and other costs, including office space, telephone, hospitalization insurance and the employer's share of Social Security.¹⁷ A recent court decision found that a township treasurer's receipt of rent-free office space from the school district for 23 years, in conjunction with his duties as tax collector for the school district, constituted compensation of the office of township treasurer, which could only be withdrawn by ordinance or resolution before the February 15th deadline.¹⁸ The taxing district's termination of payment for these items was held to reduce indirectly the compensation of the tax collector.

The term of office of an elected official ends when a vacancy occurs. The taxing body may change the tax collector's compensation before the vacancy is filled by appointment. The new rate would apply to the newly appointed tax collector.¹⁹ When a first class township treasurer is incapacitated and unable to serve, the

township board of commissioners can petition the court to appoint a deputy to serve instead. When a deputy treasurer is appointed, compensation is fixed by the court and deducted from the amount otherwise payable to the elected treasurer.²⁰

In cases where tax collectors have been reelected and their compensation has been changed for the succeeding term, they should receive their previous term's compensation for finishing out the final school tax duplicate from their previous term, even though this activity may continue several months after the new term begins on the first Monday of January. Payment on the basis of the new compensation schedule begins with the issuance of the first duplicate of the succeeding term.

Paying Compensation

The tax collector is prohibited from deducting any compensation from the taxes collected.²¹ All funds collected and any interest accrued must be paid over to the taxing districts.²² All compensation must be paid directly by the taxing district with proper warrant or orders drawn upon its treasurer. Before any compensation is paid on the basis of a new duplicate, the tax collector must submit an affidavit affirming that the taxpayers have been properly notified.²³

City treasurers are paid on a monthly or semi-monthly basis, the same as other officers of the city.²⁴ Arrangements for paying the salary are made by joint agreement between the city, school district and, where applicable, county. There is no legal stipulation on how tax collectors are paid in boroughs and townships. Commissions were customarily paid when the tax collector's monthly or periodic reports of collections were received. Salaries can be paid in even intervals throughout the year, even though the bulk of the work comes at certain times of the year. A taxing district should not be arbitrary and capricious when making payment to the tax collector. Payment should occur on a reasonable and timely basis. Taxing bodies must withhold federal, state and local income taxes from compensation payments to elected tax collectors.

Commissions on Noncode Taxes

If the elected tax collector is appointed to collect one or more Act 511 taxes, the taxing authority has full power to set the compensation and alter it at any time.²⁵ The tax collector acts as an appointed official when collecting Act 511 taxes and protections guaranteed by the Local Tax Collection Law to elected tax collectors do not apply to this role.

The tax collector in second class townships receives the same compensation for collecting street lighting and fire hydrant assessments as paid for township taxes, and where garbage collection assessments are levied in a village district the tax collector receives the same commission as for collecting per capita taxes.²⁶ A first class township treasurer collecting street light assessments is compensated at the same rate as for collecting taxes.²⁷

Fringe Benefits

Health/Hospitalization Insurance. Under the terms of the Public School Code, the power of the school board to provide health and hospitalization insurance is limited to school employees.²⁸ Similar clauses in the borough and township codes limit coverage to employees and elected members of the governing bodies and the mayor.²⁹ Tax collectors are excluded from the authorization to provide health and hospitalization insurance. The authorization for cities to purchase life, health, hospitalization, medical or accident insurance specifically includes elected officers, making the city treasurer eligible for participation.³⁰

Social Security. The Federal Omnibus Budget Reconciliation Act of 1990 brought certain classes of public officials, including elected tax collectors, under Social Security and Medicare coverage. In 1991, the Social

Security Administration adopted the Internal Revenue Service's definition of wages to include commissions paid to tax collectors. All tax collectors' compensation is subject to withholding for Social Security and Medicare and the taxing districts are responsible for the employer's share of these taxes. Elected tax collectors are no longer considered self-employed for Social Security purposes.

Retirement. Salaries of the city treasurer and assistants as tax collectors are considered compensation for the purpose of the city retirement plan. The taxing bodies share in the employer's contribution to the pension fund on a pro rata basis.³¹ In boroughs and townships, tax collectors are not eligible for municipal retirement plans, since they are elected officers.³² However, if the municipality has joined the Pennsylvania Municipal Retirement System, it can determine whether membership for elected officers is optional, required or prohibited.³³

Elected tax collectors may be eligible to participate in the Public School Employees Retirement System if they meet a series of tests. The law defines a school employee as any person engaged in work relating to a public school receiving regular remuneration as an officer, administrator or employee, excluding independent contractors or persons compensated on a fee basis. The test used to determine whether an individual is an independent contractor or an employee includes the following questions: who controls the manner of work; who is responsible for the result; who supplies the tools; is payment by time or by job; is work part of employer's regular business; and does the employer possess the right to terminate employment at any time.³⁴

For a tax collector who did meet the test, evidence established that the tax collector worked under supervision and control of the city, which contributed to his employee benefits and work supplies.³⁵ However, in other cases, the Commonwealth Court held that the tax collector was an independent contractor because he hired, paid, and supervised his own employees, did not receive employee benefits, controlled his own schedule and was not subject to traditional at-will termination.³⁶

Association Memberships

The governing bodies of municipalities select delegates to county, regional and state association meetings from elected and appointed officials. City and township treasurers and borough and township tax collectors may be appointed as delegates and receive authorized expenses for attending the meetings.

Township tax collectors are expected, whenever possible, to attend the annual meetings of the county township association. Specific sessions for tax collectors are often conducted at these meetings. Tax collectors attending these meetings are entitled to \$35 plus payment of the registration fee, mileage or actual transportation expense and all other actual expenses the township board of supervisors agrees to pay.³⁷

Elected tax collectors have their own statewide association. In addition, there is an association of earned income tax officers open to membership by those tax collectors appointed to collect the earned income tax.

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VI. Office Administration

State law contains relatively few details concerning the tax collector's office. In most places, administrative practice follows local customs and expectations. Residual powers given to municipal governing bodies in the codes grant them power to organize and regulate all municipal offices, including tax collectors. Because tax collectors also work for the school district and sometimes the county, their offices are usually operated on a somewhat independent basis from the rest of municipal operations. For cities and first class townships in which the tax collector is also the treasurer and has other municipal duties, these officers are more closely integrated into the municipal government.

Office Facilities

Third class cities are required to furnish the treasurer suitable office space as well as light, heat, furniture and janitorial service. Taxes are collected at the same office occupied as city treasurer.¹ Usually the treasurer is provided office space in the city hall or municipal building.

There are no stipulations concerning office space for tax collectors in other jurisdictions. In first class townships, treasurers frequently have offices at the municipal building since they have responsibility for receiving and accounting for all township funds. Large boroughs and second class townships sometimes provide office space for the tax collector in the municipal building; in smaller jurisdictions, tax collectors usually work out of their own residences or businesses.

Expenses for maintaining an office on private property must be paid out of the tax collector's total compensation. A recent court decision found that a township treasurer's receipt of rent-free office space from the school district for 23 years, in conjunction with his duties as tax collector for the school district, constituted compensation of the office of township treasurer which could only be withdrawn by ordinance or resolution adopted prior to February 15th of the year of the municipal election.²

Tax collectors often maintain their offices in their own homes. When this is the case, tax collectors are advised to consult with their insurance agents to ensure they are adequately covered for personal and property liability insurance and burglary, theft and fire insurance to cover their home offices. In some cases, homeowners insurance covers these risks associated with a home office; in other cases, it does not. Costs of insurance coverage on home offices are the responsibility of the individual tax collectors.

In 1995, Commonwealth Court ruled a tax collector's home office was subject to the provisions of the state Fire and Panic Act.³ This law gives the state Department of Labor and Industry the power to issue regulations and enforce rules relating to the safety of various classes of building. In this case, a portion of the tax collector's garage was remodeled as an office that was visited by more than 400 persons each year to pay taxes. The tax collector was cited for not having an occupancy permit, approved plans, fire extinguisher and the lack of an exit sign over the door. Although tax collectors were required to comply with the Fire and Panic Act, this act was repealed following implementation of the regulations for the Uniform Construction Code (UCC). The UCC now applies to all new and renovated buildings.⁴

Tax collectors with home offices are also subject to the Americans with Disabilities Act.⁵ It also applies to tax collectors with offices in their businesses. This federal law protects individuals with disabilities from discrimination on the basis of their disability in the services, programs and activities of state and local governments. All forms of disabilities are covered by the Act, including being wheelchair-bound, blind, speech impaired and hearing impaired.

Ideally, the tax office should be made accessible to the disabled. This may require structural alteration of the facility. If financial costs related to making the facility accessible to the disabled can be shown to be prohibitive, nonstructural changes can be used to achieve accessibility. For example, a tax collector could make arrangements to meet a taxpayer at the municipal building or even go to the home of the taxpayer. Tax collectors might simply meet disabled taxpayers at the bottom of the steps to their home office.

Tax collectors must ensure that communications with persons with disabilities are as effective as communications with nondisabled people. However, this obligation does not require a tax collector to take any action which would result in alteration of service or undue financial and administrative burdens. In order to provide equal access, tax collectors should be prepared to make available auxiliary aids and services to ensure effective communication. Examples include a qualified interpreter for the deaf or large print materials for the visually impaired.

Tax collectors must make taxpayers aware of the availability of arrangements for the disabled. The most effective way to do this is by a statement on the tax notice or separate inserts mailed with the tax notice stating that the tax office is accessible to the disabled or that people with disabilities will be accommodated after reasonable notice has been given. Tax notices also are subject to the requirement for effective communication. Thus, when requested by individuals with vision impairments, tax notices must be made available in a form that is usable by them.

Office Supplies

The expenses of printing and postage for the tax collector are to be paid by the taxing districts.⁶ This is in addition to the tax collector's stipulated compensation. In many counties, real estate duplicates are kept on computers capable of printing out individual tax bills. Taxing bodies may contract with the county to print out the tax bills, relieving the secretary from the duty of preparing the duplicate and the tax collector from the duty of preparing the tax bills. Data processing costs should be borne by the taxing districts. Although the Local Tax Collection Law, enacted in 1945, did not foresee such data processing capability, computer calculation and printing of tax bills fall most closely under the category of printing, an expense paid by the taxing district. However, in areas where data processing capability becomes available, taxing districts can adjust the compensation of tax collectors in future terms if they are no longer required to prepare tax bills by hand.

In third class cities, printing and stationery supplies are furnished by the taxing districts. The cost of stationery, supplies, printing, notices, postage, telephone service, office equipment and incidental expenses necessarily incurred in collecting taxes is paid by the taxing districts on a proportional basis.⁷ These expenses are determined by a board consisting of one representative appointed by each taxing authority.

In first class townships, the treasurer is allowed actual expenses for printing, postage, books, blanks and forms needed for collecting taxes.⁸ Expense accounts are to be adjusted at the time of auditing the treasurer's accounts.

In boroughs and second class townships, tax collectors are to be allowed actual expenses for printing, postage, books, blanks and forms necessary for collecting taxes.⁹

The tax collector is prohibited by law from deducting the costs of expenses due from tax moneys collected for the taxing districts.¹⁰ All expenses must be paid out by proper orders or warrants drawn on the treasurer of the taxing body. This can either be done by the taxing district paying bills directly to the vendor, through a vouchered expense allowance or on a reimbursement basis.

Office Hours

The Local Tax Collection Law requires the tax collector, or some other duly authorized person, to be available for receiving and receipting taxes on at least 3 days of each of the last 2 weeks of the discount period at the place designated in the tax notice.¹¹ These are only minimum requirements; most tax collectors are very accommodating in making themselves available to taxpayers.

Third class city treasurers' offices must be kept open for receipt of taxes during regular business hours.¹² Usually, the treasurer's office keeps the same hours as other offices in the municipal building, sometimes with additional evening hours at the end of the discount period.

The tax notice must state a place and time where taxes are to be paid.¹³ Borough and township tax collectors must file a notice of where taxes are to be received, office hours and the taxing districts served by the county treasurer.¹⁴ This requirement is often met by filing a copy of the current tax notice with the county treasurer. The information is recorded in the Tax Collectors' Address Book, kept in the county treasurer's office and open to public inspection during office hours.

Deputies and Assistants

A tax collector may appoint one or more deputy tax collectors with the approval of the taxing district and the surety.¹⁵ Persons so appointed must be deputized in writing. Deputy tax collectors are authorized to receive and collect taxes with the same authority as the appointing tax collector. There are no particular qualifications for a deputy. Obviously the person must have the confidence of the tax collector, the taxing districts and the surety. The law makes the tax collector responsible for all taxes collected and received by any deputies appointed.

In third class cities, the treasurer appoints all necessary deputies, clerks and assistants.¹⁶ The number of assistants and their salaries are fixed by the taxing districts in the same manner they set the compensation for the treasurer. All employees must be bonded with a fidelity bond. The city treasurer appoints assistants and employees of the treasurer's office, but their number and compensation are set by council. The appointing power of the treasurer can be modified by the terms of a collective bargaining agreement.¹⁷

There are no specific provisions for assistants other than deputies in other jurisdictions. However, in large municipalities the tax collector clearly needs clerical assistance to perform the duties. At least one court approved the receiving, receipting and entering taxes paid in a ledger by clerks not appointed as deputies.¹⁸ This appears to be acceptable practice as long as it is done under the direct supervision of the tax collector or a duly appointed deputy. It is more desirable for these functions to be performed directly by the tax collector or a deputy. There is no provision for taxing districts to appoint deputies, except in first class townships. If the township treasurer is unable to perform the duties of office and does not appoint a deputy, the board of commissioners can petition the court to appoint a deputy to serve until the treasurer is again able to function.¹⁹ The court fixes the compensation of the deputy, which is deducted from the amount otherwise payable to the treasurer. The deputy must be bonded.

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VII. Records and Reports

Because of the critical nature of the work, it is incumbent upon the tax collector to keep clear and accurate records. Mistakes by the tax collector can jeopardize the property rights of landowners within the jurisdiction. Good records form the basis for clear and accurate reports.

Accounts

The tax collector is required to keep a correct account of all funds collected as taxes. At a minimum, the tax collector must record each tax payment on the duplicate, by marking “paid” with the amount and date opposite the taxpayer’s name.¹ The tax collector will find other accounts useful, such as daily and weekly summaries of taxes collected, expenses incurred and others.

A Collection Journal records the daily and weekly details of the tax collection process. This journal includes the date of collection, tax notice number, payer’s name, amount received, discounts, penalties and overpayments. A Cash Disbursements Journal is used to summarize checkbook information for a particular period of time. This journal is useful when completing reconciliations and reports. A Record of Unremitted Taxes is a worksheet used to monitor the outstanding and unremitted taxes throughout the year. It carries a running balance of the tax collector’s obligation of taxes to collect and remit. The worksheet is useful during the year-end settlement process to determine the amount of taxes outstanding.

Public Inspection. The duplicates of the tax collector are open to inspection by any taxing district at any time.²

A 2001 Commonwealth Court case found that a township tax collector was not an “agency” subject to the disclosure requirements of the Right-to-Know Act and that although the tax collector’s records are public information, they could eventually be obtained through the appropriate taxing district. Because the statutory duties of a tax collector are limited to issuing tax bills, receiving taxes and paying them over to the municipality and the tax collector does not have power to enact ordinances or adopt resolutions, the tax collector is not an “agency” as defined by the law.³

The court also found that when a request for information under the Right-to-Know Act is received, the agency is not required to compile lists of information that are not already compiled. Although a tax collector’s records are public information, the tax collector is not required to provide access to these records.⁴

Act 50 of 1998 imposed strict confidentiality requirements on all Act 511 taxes, per capita taxes, occupation, occupation assessment or occupational privilege taxes, taxes levied on income or a privilege, gross receipts taxes, amusement taxes, earned income taxes and net profits taxes. This includes any information gained as a result of a return, report, investigation, hearing, or verification. Violation of this provision will result in a maximum fine of \$2,500.⁵

Retention. Retention and disposition of tax collectors’ records are governed by the Municipal Records Retention and Disposition Schedule promulgated under the Municipal Records Act of 1968.⁶ The municipality must first declare its intent to follow the schedule by ordinance or resolution. Each individual act of disposition must be authorized by resolution of the municipal governing body. For more information on retention of tax records, tax collectors may contact the Pennsylvania Historical and Museum Commission at (717) 783-9874. A tax collector, during the time he holds the office of tax collector, shall maintain and have legal custody of tax collection records that are not in the custody of a taxing district. Nothing in this section shall prevent a person who formerly held the office of Tax Collector from maintaining copies of tax collection records that may be necessary for purposes of any subsequent audit, tax certification or other required service, or for defending

against claims for liability that may be made against the former tax collector, unless a court, upon a rule to show cause, shall extend the time, copies of tax collection records shall not be retained by a person who formerly held the office of tax collector or his representative, for more than five years from the completion of the final audit for the last year in which the person who formerly held the office of tax collector was responsible for the collection records held by the former tax collector or his representative shall be returned to the taxing district within the time period provided for in this subsection.⁷

Reports to Taxing District

The tax collector is required to make periodic reports to the taxing district.⁸ These reports are due by the tenth day of each month for the previous month's activity, but may be required more frequently by the taxing district by ordinance or resolution. All reports must be made on a form approved by the Department of Community and Economic Development (DCED). A taxing district may require the tax collector to include supplemental information not included on the DCED form.

The monthly statement must list all taxes collected for the taxing district for the reporting period. This report must list the names of taxpayers and amount collected from each, including discounts and penalties and must carry a total of all taxes collected with discounts and penalties for the reporting period.

The monthly statement must include a reconciled tax collector's report. The reconciled report must include each type of tax collected for each taxing district, reconciled from the tax duplicates to the amount of taxes remaining to be collected.

If the monthly reports are not filed on time, the taxing district may impose late filing fees, not to exceed \$20 for each business day for the first 6 days the reports are overdue. After 6 days, the late fee cannot exceed \$10 for each additional business day up to a maximum fee of \$250 per overdue report.

If the taxing district determines that there is a reasonable cause for failure to file the reports, the fee may be waived. The reports will not be considered filed until the late filing fee is received, but no further fees will be incurred.⁹

The report is to be accompanied by payment of the funds collected for which the tax collector is to be given a receipt. In some instances, taxing districts require a more frequent payment over of taxes collected.

Notice for Sheriff Sales

The sheriff is responsible for the sale of property to satisfy many kinds of debts other than taxes. Any sheriff's sale divests the lien of all taxes. It is the duty of the tax collector to notify the sheriff of any unpaid taxes outstanding against any property advertised for sale by the sheriff.¹⁰

When a sheriff's sale produces sufficient funds to cover outstanding tax liens, those liens where notice has been provided, take priority over claims of other judgment creditors. The sheriff pays the taxes out of the proceeds immediately after payment of the costs of the sale.

Certifications for Real Estate Sales

In some counties, it is the practice of attorneys to request the local tax collector to provide a certification of taxes paid on real estate involved in a sale. There is no legal requirement for tax collectors to perform this service, nor is there any statutory basis for them to charge a fee for these certifications.

In a 1988 decision, the Commonwealth Court ruled a tax collector had violated the State Ethics Act by charging a \$10 fee for tax certifications.¹¹ The decision upheld a ruling of the Ethics Commission. In this case charging the fee had been a long-standing practice of the incumbent and former tax collectors, but had not been authorized by a municipal ordinance.

In the absence of statutory authorization, certification fees for tax collectors may be established by enactment of an ordinance by the municipal governing body.¹² Because tax collectors are municipal officers, the municipality has power to establish fees for services of its officers. The fee established should be reasonable. A good guideline is the \$5 fee established for lien certificates issued by county tax claim bureaus under the Real Estate Tax Sale Law.¹³

Fees for Other Tax Collector Services

Tax collectors are often requested to provide duplicate bills, data on disk or copies of other information. Often, mortgage service companies will request duplicates for a sizeable number of parcels. Growth of demand for this service has led to institution of charges. Similar to the real estate sales certification, a municipal ordinance should be enacted to establish the fees for these services by the tax collector. Similarly, any charge for returned checks should be authorized by a municipal ordinance.

Mobile Home Removal Permits

The state assessment laws require owners of mobile homes to obtain a permit from the local tax collector before removing the mobile home from the taxing district. Tax collectors are authorized to charge a fee of \$2 for the permits, issuable after all taxes levied on the mobile home have been paid.¹⁴

References

1. 72 P.S. 5511.25; Local Tax Collection Law, Section 25.
2. 72 P.S. 5511.25, Local Tax Collection Law, Section 25; 53 P.S. 37535; Third Class City Code, Section 2535.
3. *Current Status, Inc. v. Hykel*, 778 A.2d 781 (Pa Cmwlth. 2001).
4. *Current Status, Inc. v. Hykel*, 778 A.2d 781 (Pa Cmwlth. 2001); *Scranton Times, L.P. v. Scranton Single Tax Office*, 736 A.2d 711 (Pa Cmwlth. 1999), affirmed, 564 Pa. 30, 764 A.2d 17 (2000).
5. 53 Pa.C.S.A. 8437; *Scranton Times, L.P. v. Scranton Single Tax Office*, 736 A.2d 711 (Pa Cmwlth. 1999), affirmed, 564 Pa. 30, 764 A.2d 17 (2000).
6. 46 Pa. Code 15.51.
7. 46 Pa. Code 15.1.
8. 72 P.S. 5511.25; Local Tax Collection Law, Section 25.
9. 72 P.S. 5511.25; Local Tax Collection Law, Section 25.
10. 53 P.S. 7105; 1895 P.L. 111, No. 84, Section 2, *Pivrotto v. Starusko*, 440 A.2d 637, 64 Pa.Cmwlth, 346 at 358, 1982, *Berkey v. Johnson*, 45 D.&C.3d 201, C.P. Somerset Co., 1987.
11. *Allen v. State Ethics Commission*, Opinion and Order filed at No. 1790 C.D. 1988, Pa. Commonwealth Court; Pennsylvania State Ethics Commission, Order 612-R, June 10, 1988.
12. Allen, *supra*, at 3.
13. 72 P.S. 5860. 208; Real Estate Tax Sale Law, Section 208.
14. 72 P.S. 5020-407; General County Assessment Law, Section 407; 72 P.S. 5453.617a; Fourth to Eighth Class County Assessment Law, Section 617.1.

VIII. Tax Duplicate

The tax duplicate is the basic tool of the tax collector. It is the official list of all properties and persons taxable for the current year, indicating the amount of tax due on each. It also contains spaces to record the payment of taxes and the disposition of all unpaid taxes. The duplicate may be in paper, electronic, or any other format from which accurate reproductions can be made.¹

The tax duplicate, when issued to the tax collector, constitutes a personal warrant for the collection of taxes levied in the duplicate.² The warrant is the legal authority issued to the tax collector by the taxing district to proceed to collect the taxes listed on the duplicate and empowering the tax collector to apply statutory procedures to enforce collection. The warrant remains in force until the complete settlement of all taxes in the duplicate with the taxing district.

Warrants are issued solely to the individual named and cannot be used by another person, unless the individual is appointed a deputy. The tax collector is prohibited from collecting taxes that do not appear on the duplicate.³ Tax collectors have no duty or power to alter duplicates placed in their charge for collection of taxes.⁴ Any alteration or addition to the duplicate must come from the taxing district.

The tax duplicate is prepared by the taxing district. Usually, the clerk or secretary computes the amount of tax due on each taxable on the assessment roll by applying the jurisdiction's tax rate to the assessed value of property or occupations. In counties with computerized assessment operations, the county often can provide a duplicate as well as an assessment roll for each jurisdiction saving considerable clerical effort. In the past, some districts have simply turned over the assessment roll to the tax collector to prepare the duplicate. While not strictly illegal, the courts have frowned on this procedure as dangerous practice and bad business judgment.⁵

Delivery of Duplicate

Duplicates for county taxes are issued by the county commissioners. Duplicates must be delivered within 30 days after adoption of the county budget.⁶ However, the county commissioners have the option to deliver tax duplicates no later than July 1 if delivering the duplicate by this later date will result in cost savings and the county commissioners adopt a resolution to this effect. Most counties now bill taxes in January or February so revenues will be received early in their fiscal year.

Duplicates for municipal taxes are issued by the city, borough and township governing bodies. Duplicates must be issued to the tax collector within 30 days of the adoption of the budget or 30 days after receipt of the assessment roll from the county, whichever is later.⁷ Since municipal fiscal years begin January 1, municipal taxes are usually billed in January or February.

Duplicates for school taxes must be furnished to the local tax collector by July 1 of each year.⁸ This ensures that the billing of school taxes occurs soon after the school fiscal year begins on July 1.

The taxing district must make settlement with the tax collector for the current year's duplicate before the duplicate of any succeeding year can be delivered to the tax collector. The oath stipulated in Section 26 of the Local Tax Collection Law as part of the settlement process is a mandatory provision which must be met before a new duplicate is delivered.⁹

Interim Real Estate Taxes

Additions to the duplicate may be made during the year after major improvements to a parcel have been completed.¹⁰ The county assessment board certifies the assessment change to the taxing district. The taxing district sends the additions to the duplicate to the tax collector.

All affected taxpayers must be sent interim tax notices by the tax collectors within 10 days after receipt of duplicate additions. The additional valuation is taxed at the jurisdiction's tax rate reduced proportionately to the number of months remaining in the fiscal year. Interim taxes are supplemental to the original duplicate. They must be accounted for separately. Interim taxes will have different discount, face and penalty periods than the original duplicate.

If the full amount is paid within 2 months after the notice, a discount of at least 2 percent applies. If the full amount is paid within 4 months of the tax notice, no penalty may be imposed and the taxes cannot be considered delinquent, even if payment occurs after December 31.

If the taxes due from an interim assessment remain unpaid by December 31 and less than 4 months have elapsed since the date of the tax notice, the taxing district must reissue the duplicate to the elected tax collector to allow the taxpayers a full 4 months to pay the taxes before a penalty may be imposed or the taxes declared delinquent.¹¹

Adding Names to Duplicate

If tax collectors or deputy tax collectors discover a resident of the taxing district over 18 years of age whose name is not on the duplicate, they are to report it to the assessor responsible.

The assessor then certifies the name to the taxing district which in turn certifies the name to the tax collector to be added to the duplicate. The taxing district may also add names to the duplicate by resolution with proper notice to the county assessment board and certification to the tax collector to add the names to the duplicate.¹² Persons added to the duplicate can be liable for personal taxes for the current year and up to 2 preceding years, where applicable, at the determination of the taxing district.

References

1. 72 P.S. 5511.2; Local Tax Collection Law, Section 2.
2. 72 P.S. 5511.5; Local Tax Collection Law, Section 5.
3. 72 P.S. 5511.15; Local Tax Collection Law, Section 15.
4. *Gorson v. Lackawanna County Board of Commissioners*, 455 A.2d 703, 77 Pa. Cmwlth. 140, at 149, 1983.
5. *In re Appeal from Baden Auditors' Report*, 21 Beaver 128, at 138, 148, 1960.
6. 16 P.S. 1782.2; County Code, Section 1782.2.
7. 53 P.S. 37535; Third Class City Code, Section 2535; 53 P.S. 46305; Borough Code, Section 1305; 53 P.S. 56712; First Class Township Code, Section 1712; 53 P.S. 68209; Second Class Township Code, Section 3209.
8. 24 P.S. 6-681; Public School Code, Section 681.
9. 72 P.S. 5511.31; Local Tax Collection Law, Section 31; *Litchfield Township Supervisors*, 65 D.&C. 108, at 128, Q.S. Bradford Co., 1948.
10. 16 P.S. 1770.1; County Code, Section 1770.1; 53 P.S. 37516.1; Third Class City Code, Section 2516.1; 53 P.S. 46306; Borough Code, Section 1306; 53 P.S. 56709.1; First Class Township Code, Section 1709.1; 53 P.S. 68210; Second Class Township Code, Section 3210; 24 P.S. 6-677.1; Public School Code, Section 677.1.
11. 72 P.S. 5511.5a; Local Tax Collection Law, Section 5.1.
12. 72 P.S. 5511.16; Local Tax Collection Law, Section 16.

IX. Tax Notice

The tax notice is the second important document in the tax collector's duties. It is the official notice to the taxpayer that taxes for the current year are due and payable.

Form of Tax Notice

Within 30 days after receiving a tax duplicate from a taxing district, the tax collector must mail tax notices to every person appearing on the duplicate. This time limit can be extended by the taxing district. A tax notice must be sent to each taxpayer by July 1, following receipt of the duplicate, or no later than 15 days after the duplicate is delivered to the tax collector if delivery is after June 16. Home rule municipalities may establish a different date for sending out tax notices.

The tax notice must contain the following information.¹

- (1) Date of the tax notice.
- (2) Rate or rates of taxation.
- (3) Valuation and identification of the real property of the taxpayer.
- (4) Occupation valuation of the taxpayer, if any.
- (5) The several amounts of real and personal property and personal taxes the taxpayer is billed for the current year.
- (6) The total amount of taxes the taxpayer owes for the current year.
- (7) A statement that the taxes are due and payable.
- (8) A request for payment of the taxes.
- (9) Statement of the time and place where taxes can be paid.
- (10) Dates for discount, face and penalty periods.

School districts which implement homestead and farmstead exclusions pursuant to Act 72 of 2004 shall provide the following additional information itemizing the homestead and farmstead exclusion on tax bills sent to homestead and farmstead owners:

- (11) An indication of the original amount of tax liability.
- (12) An indication of the amount of the exclusion.
- (13) An indication of the net amount of tax due after the exclusion has expired.

The tax bill shall be easily understandable and include a notice which, at a minimum, shall take the following form:

Your enclosed tax bill includes a tax reduction for your homestead and/or farmstead property. As an eligible homestead and/or farmstead property owner, you have received tax relief through a homestead and/or farmstead exclusion, which has been provided under the Taxpayer Relief Act, a law passed by the Pennsylvania General Assembly designed to reduce your property taxes.²

The tax notice should also include a statement that the tax office is accessible to the disabled or that arrangements will be made to accommodate the disabled.

The law specifically allows taxes from more than one taxing district to be included on a single tax notice. Personal taxes may be included on a property tax notice. Duplicates from the individual taxing districts must be delivered to the tax collector at the same time to be combined in a single notice. It is now common for county and municipal taxes to be included on one notice in January or February and school taxes to be sent out on a separate notice in July.

If a single taxpayer owns more than one parcel of real estate within a taxing district, a separate tax notice must be sent for each parcel.

In order to save postage costs, tax notices may be sent out using presorted first class mail. If this method is used, there will be no postmark on the envelopes. Tax collectors must retain a postage receipt to verify the date bills were mailed.

The legislature has determined that property tax notification is a critical step in the tax collection process. Before tax collectors may receive any compensation, they must file a sworn statement that they have complied with the requirements of the Local Tax Collection Law relating to notification of taxpayers. Notices are required for the protection of the taxpayer and to aid taxing districts in the prompt collection of the maximum amount of the tax duplicate.

Local Taxpayers Bill of Rights

Enacted in 1998, the Local Taxpayers Bill of Rights requires special notification and disclosure statements for eligible taxes.³ These requirements do not apply to real estate taxes,⁴ but do apply to any tax levied under Act 511, the Local Tax Enabling Act, any per capita, occupation, occupational assessment or occupational privilege tax and any tax levied on income.⁵

Special notices must be included in any correspondence sent to a taxpayer regarding an eligible tax, including tax notices. The notice must conform to the following format:

You are entitled to receive a written explanation of your rights with regard to the audit, appeal, enforcement, refund and collection of local taxes by calling (name of tax administrator) at (telephone number) during the hours of (hours of operation).

The taxing district must designate a contact person for each eligible tax, who will likely be the collector of the tax. The contact person must provide a copy of a disclosure statement to any taxpayer upon request **at no charge**. The disclosure statement must be prepared by the taxing district and provided to the contact person.⁶

Billing Utility Charges

There is no legal prohibition against billing municipal utility service charges, such as sewer, water or garbage collection, on tax notices. However, it usually is not a good practice. Except for cities and first class townships, utility charges are usually paid to a different agent than the tax collector.

In first class townships where the treasurer collects street light assessments, and in second class townships, where the tax collector collects street light, fire hydrant or garbage collection assessments, 30 days' written notice must be given that the assessments are due and payable, stating the due date on each notice.⁷ Notice can be made by personal service or mailing to the last known post office address of the property owner.

Identification of Taxpayer

The registered owner of real property at the time when the taxes were assessed against the property is liable for the payment of taxes on the property. Upon written request, the county recorder of deeds must furnish each tax collector a record of all transfers of real estate within their jurisdictions within 60 days of the time of transfer.⁸

The tax notice must be mailed or delivered to the last known post office address of each of the taxables.⁹ The tax collector's responsibilities for giving notice end when this action has been taken. Failure to receive a tax notice does not relieve any taxpayer from liability for prompt payment of taxes imposed by the taxing district.¹⁰ All taxpayers are charged with their taxes as though they had received notice and all necessary enforcement steps are taken to ensure payment.

Any joint tenant, tenant in common or coparcener of real estate has the right to pay the proportionate share of the amount of taxes due on real estate held jointly.¹¹ The tax collector must receive these partial payments and provide a receipt. The interest of any such part owner is then not affected by any proceeding or sale to enforce payment of taxes by the other persons holding interest in the property.

Discounts and Penalties

The Local Tax Collection Law establishes the discount and penalty schedule.¹² Calculation of the cutoff date for the discount and face periods is determined by the postmark date on the envelopes.

Discount: At least 2 percent if the whole amount of the tax is paid within 2 months after the date of the tax notice.

Payment at Face: The full amount of tax if paid during the 2 months following the end of the discount period.

Penalty: Up to 10 percent added to the face amount for all taxes not paid within 4 months after the date of the tax notice.

The "date of the tax notice" stipulated in Section 10 has been interpreted to mean the date the notice is mailed to the taxpayer, not the date printed in the notice if it is different. The court held that each taxpayer is entitled to a two-month opportunity to pay at discount, otherwise a taxing body might be tempted to withhold tax notices until the face or penalty period.¹³

The 2 percent discount for early payment of taxes has been found constitutional by the courts.¹⁴ It was enacted for the welfare of taxing bodies and can be treated as a collection fee, since it has the effect of producing immediate revenue for local government purposes.

The penalty added to the tax after 4 months becomes part of the tax due.¹⁵ It is included in the base on which all other delinquent interest and penalties are calculated.

The discount and penalty schedule applies to all real estate, per capita (non-Act 511) and occupation taxes, except for county taxes collected under the terms of special local legislation.¹⁶

A 2006 amendment requires the tax collector to send special notices to taxpayers who have not paid the real estate tax within 4 months of notification.¹⁷ The notice must be sent by first class mail, in 18 point or larger text, and read:

"YOUR REAL ESTATE TAXES HAVE NOT BEEN PAID ON TIME AND A PENALTY HAS BEEN ADDED TO THE AMOUNT YOU OWE. IF NOT PAID BY DECEMBER 31, YOUR REAL ESTATE TAXES WILL BE DELINQUENT. IF YOU HAVE ANY QUESTIONS PLEASE CONTACT (NAME OF TAX COLLECTOR) BY MAIL AT (ADDRESS) OR BY TELEPHONE

AT (TELEPHONE NUMBER). IF YOUR REAL ESTATE TAXES ARE TO BE PAID FROM AN ESCROW ACCOUNT ESTABLISHED IN CONNECTION WITH YOUR MORTGAGE, YOU SHOULD CONTACT THE COMPANY MANAGING YOUR ESCROW ACCOUNT."

Failure to receive this notice does not relieve taxpayers from their responsibility to pay the taxes due.

Taxing districts enacting taxes under the Local Tax Enabling Act may prescribe discount and penalty periods for collection of these taxes, with the sole exception of the earned income tax.¹⁸ Usually, per capita and occupation taxes enacted under the Local Tax Enabling Act are collected by the elected tax collector and billed on the same notice as per capita and occupation taxes adopted under the municipal codes with the same discount and penalty period applied.

Discounts are not permitted on taxes paid on an installment basis.¹⁹ Taxes on unseated lands in seventh and eighth class counties do not carry a discount and penalty provision.²⁰ Interest at the rate of 6 percent is added if the taxes are not paid within the year.

Tax collectors must apply the penalty amount after the 4 month period has elapsed. They have no authority to excuse penalties where tax notices have not been received, nor where assessments are being contested by the property owner.²¹ The taxing district, of course, has power to grant exonerations for mistakes, and must make refunds where property assessments are lowered upon appeal. These actions emanate from the taxing body itself; the tax collector has no authority to make these decisions.

Tax Escrow Accounts Held By a Homeowner's Mortgage Company

Many residential mortgage companies require the borrowing homeowner to include in their monthly mortgage payment an installment of real property taxes equal to approximately one-twelfth of the annual taxes. These payments are placed in an escrow account, which is held by an escrow servicer and paid to the tax collector when taxes are due. It is common for the escrow servicer to send the tax collector a request, signed by the taxpayer, asking that tax bills be sent directly to the escrow servicer. Although the tax collector is under no obligation to comply with such requests, they may choose to do so as a courtesy to the taxpayer.

Tax collectors should be aware that tax escrow accounts on federally-related mortgages are governed by Regulation X²² promulgated by the United State Department of Housing and Urban Development under the Real Estate Settlement Procedures Act. These regulations provide, in part:

1. The escrow account servicer must make the tax payments in a timely manner, that is, on or before the deadline to avoid a penalty, as long as the taxpayer's payment to the escrow servicer is not more than 30 days overdue.
2. If the taxing jurisdiction offers a choice between annual and installment payments, but neither option includes a discount for payments on a lump sum annual basis nor any additional charge or fee for installment payments, the escrow account servicer **must** make payments on an installment basis.
3. If the taxing jurisdiction offers a discount for payments on a lump sum annual basis or imposes any additional charge or fee for installment payments, the escrow account servicer may, at the escrow servicer's discretion, make lump sum annual payments in order to take advantage of the discount for the taxpayer or avoid the additional charge or fee for installments.
4. An escrow account servicer and taxpayer may mutually agree, on an individual case basis, to a different payment basis (installment or annual) or payment date for property taxes.

Taxpayers who have issues with the administration of their escrow funds for taxes and insurance may contact the Pennsylvania Department of Banking at 1-800-PABANKS.

References

1. 72 P.S. 5511.6; Local Tax Collection Law, Section 6.
2. Act 1 of SS2006, P.L. (Taxpayer Relief Act), Section 343.
3. 72 P.S. 5511.8; Local Tax Collection Law, Section 8, *Litchfield Township Supervisors*, 65 D.&C. 108, at 125, Q.S. Bradford Co., 1948.
4. 53 Pa.C.S.A. 8421.
5. 53 Pa.C.S.A. 8438.
6. 53 Pa.C.S.A. 8422.
7. 53 Pa.C.S.A. 8423.
8. 53 P.S. 56513; First Class Township Code, Section 1502.XIII; 53 P.S. 68301; Second Class Township Code, Sections 3301.
9. 16 P.S. 9706; 1955 P.L. 579, No. 148.
10. 72 P.S. 5511.6; Local Tax Collection Law, Section 6.
11. 72 P.S. 5511.7; Local Tax Collection Law, Section 7; *Lal v. West Chester Area School District*, 455 A.2d 1240,71 Pa. Cmwlth. 236, at 239, 1983.
12. 72 P.S. 5511.12; Local Tax Collection Law, Section 12; *Mifflin Township v. Macey*, 7 A.2d 509, 136 Pa.Super. 463, at 466, 1939; *Lohr's Estate*, 200 A. 135, 132 Pa.Super. 125, at 128, 1938.
13. 72 P.S. 5511.10; Local Tax Collection Law, Section 10.
14. *Appeal from Aliquippa Auditor's Report*, 24 Beaver 142, at 145, 1963.
15. *Keator v. Lackawanna County*, 141 A. 37, 292 Pa. 269, at 274, 1928.
16. *Hamilton v. Lawrence*, 167 A. 509, 109 Pa. Super. 344, 1933.
17. 72 P.S. 5563; 1050 P.L. 394.
18. 72 P.S. 5511.10; Local Tax Collection Law, Section 10.
19. 53 P.S. 6922; Local Tax Enabling Act, Section 22.
20. 72 P.S. 5511.11; Local Tax Collection Law, Section 11.
21. 72 P.S. 5511.24; Local Tax Collection Law, Section 24.
22. 24 CFR Section 3500.17

X. Payment of Taxes

Taxes are due and payable as of the date of the tax notice.¹ At that time they become a legal obligation of the taxpayer.

From the seventeenth through the nineteenth century, township taxes could be discharged by a taxpayer's labor on the public roads. However this practice has been prohibited since 1911. There is no authority for a tax collector to receive any commodities or an individual's promissory note in payment of taxes. The only exception is the authority of the taxing district to deduct any delinquent taxes owed by an individual from any payment of claims against the district.²

Ordinarily, personal checks or money orders are accepted by tax collectors in payment of taxes. Acceptance of a check from a taxpayer is at most only a conditional payment of taxes; the taxes are not considered fully paid until the check has cleared.³ The lien of taxes continues until the check has been honored by the paying bank. Although the majority of taxes are now paid by check, the practice of accepting checks does not constitute valid payment of taxes until the check is paid. When the tax collector gives a receipt for payment of taxes by check, the validity of the receipt is dependent upon the check being honored and the funds paid into the collector's account.⁴ Tax collectors should adopt a policy for handling checks returned for insufficient funds. Any charge for returned checks should be authorized by ordinance of the municipal governing body.

Tax Receipts

The Local Tax Collection Law requires the tax collector to furnish a receipt for all payments.⁵ But where payment is made by mail, a receipt is required only when the taxpayer encloses with the payment a self-addressed stamped envelope for the return of the receipt.

The receipt must be furnished either from a book containing a stub, from a bill with a stub attached or from a bill with a carbon copy. Where tax bills are manually prepared, bills with carbon copies are generally used since this eliminates additional copying. Where printed by a computer, bills with detachable stubs containing the required information become practical. In all cases, receipt forms are furnished at the expense of the taxing district.

Each receipt must be numbered. It must contain the name of the taxpayer, district levying the tax and identification of the real property. The receipt must be marked with the date of payment and the amount of real estate and personal taxes paid, stated separately. A separate receipt must be issued for each parcel of real property. The tax collector must keep a record of each receipt on the bill or stub, with the same information given in the receipt. Duplicate receipts should include the name of the person paying, number of the check and should be stamped with the word "copy."

Giving receipts is considered to be an important part of the tax collector's duties. The legislature has provided a specific penalty for failure to comply with requirements concerning tax receipts.⁶

Installment Payments

A taxing district may implement a procedure for payment of taxes by installments through passage of an ordinance or resolution.⁷ The ordinance or resolution is to set up a plan for payment in not more than 4 installments and stipulate the dates when each installment is due. No discount is allowed on installment payments, but a penalty of up to 10 percent is added to each installment on the date it becomes delinquent.

When an installment plan is established, payment of the first installment by the taxpayer before the delinquent date is evidence of intention to pay on the installment plan, otherwise the taxes are due and payable in a lump sum.

A taxing district may set installment payment dates after December 31.⁸ The unpaid installments will not be considered delinquent if paid on or before the installment dates established by ordinance or resolution. If an installment plan permits payments after December 31, a taxpayer must make a first payment before December 31 or must notify the tax collector in writing of his intent to make installment payments if the first payment is due after December 31.

Installment payments are collected by the elected tax collector, who shall be allowed a credit for all uncollected, nonlienable installments not required to be paid by December 31. This amount is identified and carried forward on the reporting form as nonlienable installments to be collected by the tax collector after the taxing district issues an additional warrant for the installment payments. The elected tax collector must be paid the same compensation as for the collection of other taxes.

A 1932 law authorizes tax collectors and other officials designated to collect delinquent taxes to accept installment payments.⁹ These payments must be at least 10 percent of the face amount of the tax. Acceptance of installments does not preclude the delinquent tax collector or taxing districts from any further action to collect the balance due.

In the absence of a local ordinance or resolution to establish installment payments, there is nothing in the law authorizing the tax collector to take partial payments. As a convenience to the taxpayer, many tax collectors allow complete payment of one or more specific taxes included on a tax bill as a partial payment.

Installment Payments of School Real Property Taxes under the Taxpayer Relief Act

Similar to the Local Tax Collection Law, Chapter 15 of the Taxpayer Relief Act¹⁰ permits school districts to adopt installment payment plans for the collection of school real property taxes.¹¹ However, the Taxpayer Relief Act requires that school districts adopt a resolution which provides owners of homestead and farmstead property the option of paying school real property taxes in installments for calendar year 2007 and thereafter.¹² Taxpayers elect to use the installment plan by making the first installment payment before it is due.¹³

Installment payments may be collected by a tax collector or school districts can assign the installments to a third party or contract with an independent tax bureau to collect the installments. In addition, school districts may authorize the collection of installment payments by electronic fund transfer or credit card.¹⁴ If installment payments are assigned or outsourced or collected via electronic fund transfer or credit card, coordination will be needed between the school district, the assignee or tax bureau, and the tax collector, who is responsible for collecting, keeping and reconciling records of real property taxes collected under the Local Tax Collecting Law.¹⁵

Tax collectors may request that school districts consider increasing their compensation for the additional administrative costs incurred by the tax collector.

Contents of Resolution

School districts are given discretion in how they provide for installment payments; however, the resolution required by Act 1 must include the following provisions:

- All taxpayers who have been approved for a homestead or farmstead exclusion¹⁶ are eligible to make installment payments.¹⁷
- School districts must notify taxpayers on their tax bill regarding the installment payment option and the dates that installments are due and delinquent.¹⁸

- Installment payment dates cannot be established more than monthly. School districts must establish at least three installment payments, which can be set until right before delinquent taxes must be turned over to the county tax claims bureau.¹⁹
- Taxpayers elect to make installment payments by making the first payment before it is due.²⁰
- If taxpayers elect to make installment payments, the discount and penalty periods do not apply.²¹
- Installment payments that are received after the due date are subject to a penalty of up to 10%.²² Payments received should be applied first to the earliest required installment and penalties.²³
- Taxpayers who elect the installment payment option and are delinquent by more than ten days on more than two installment payments become ineligible for the installment payment option in the following school fiscal year.²⁴

Outsourcing of the Collection of Installment Payments

School districts are permitted to contract with an independent tax bureau for collection of the installments.²⁵ Tax collectors are responsible and accountable to the school district for all taxes collected by the collector, and the final accounts and records, returns and payments and duplicate must be audited annually in the year in which the installments are collected.²⁶ The tax bureau may contract with tax collectors, who must be paid the same rate of compensation on installment payments as the school district pays generally.²⁷ Existing tax collector arrangements remain in effect unless they conflict with the provisions of Chapter 15 or a school district determines another arrangement is appropriate.²⁸

Assignment of Installment Claims

A school district may assign, either absolutely or as collateral security, some or all of its installment claims, even if the claim has not become delinquent.²⁹ The amount and terms of the assignment amount must be in writing and approved by resolution of the school district. Assignment is not considered a discharge or satisfaction of the installment claim or the underlying taxes.³⁰ A lien of the assigned installment claim and underlying taxes continues in favor of the assignee.

The assignee is entitled to the same rights, privileges and remedies as the school district with respect to the assigned installment claim and the underlying tax regarding the collection and enforcement of tax claims.³¹ The assignee is also given the same rights and duties of the tax collector under the Local Tax Collection Law, except the bonding requirements and the responsibility for adding names to a duplicate.³² An assignment of an installment claim is considered, unless otherwise provided in writing, an assignment of a claim or lien under section 33 of the Municipal Claim and Tax Lien Law³³ and section 316 of the Real Estate Tax Sale Law.³⁴ ³⁵Property owners are provided with the same rights and defenses they had against a school district.³⁶ Assignees are permitted to further assign installment claims.³⁷

Consideration of an Increase in Compensation of Tax Collector

Tax collectors may request that a school district consider increasing their compensation to account for increased administrative costs of installment payments by sending a certified letter to the school district within 15 days of the board's adoption of a resolution adopting an optional real property tax installment payment plan. The school district is required to consider the request within 45 days of receiving the letter.³⁸ School districts may notify tax collectors that their compensation may be adjusted for the increased costs until January 31, 2009³⁹ by sending a certified letter to the collector within 15 days of the board's adoption of the resolution adopting installment payments. The school district is required to consider the adjustment within 45 days of sending the letter.⁴⁰

Payment by the Tax Collector

The Local Tax Collection Law recognizes the practice of tax collectors personally paying taxes under certain circumstances. This occurs at the end of the year to enable the tax collector to receive the duplicate for the following year. If tax collectors pay personal taxes without having collected them, they can collect these taxes as long as their warrants remain in force.⁴¹ Unpaid real estate taxes must be returned to the county tax claim bureau.

Errors in Duplicate

If the amount of tax listed on the duplicate is incorrect, the tax collector has no authority to correct the error. The tax collector must accept in payment the exact amount shown on the duplicate. Refunds of taxes paid in error may only be made by the taxing district. Checks for the amount of the refund must be issued directly by the treasurer of the taxing district. The tax collector has no authority to make refunds from the tax collection account.⁴² The tax collector is not personally liable for taxes collected in error as long as it is done under a proper warrant from the taxing district.⁴³

Any taxpayer who discovers an error in their tax bill has the right to recover any excess paid plus interest. The full amount of the tax on the bill should be paid under protest, and a written claim filed with the taxing district.⁴⁴ This claim must be filed within 3 years of the tax payment.

Assessment Appeals

Assessment appeals do not halt the timely collection of real estate taxes on the basis of the current value listed in the duplicate.⁴⁵ The taxpayer may pay the amount billed under protest, and in this case the tax collector must deliver the note of written protest to the taxing district. If the assessment is reduced on appeal, the excess must be returned to the taxpayer by the taxing districts.

References

1. 72 P.S. 5511.6; Local Tax Collection Law, Section 6.
2. 53 P.S. 7232; 1937 P.L. 2611 , Section 2.
3. *Paxtang Borough School District v. Martin*, 50 Dauphin 240, at 241, 1941; *McKinley v. Powell*, 29 Delaware 61, at 64, 1939.
4. *City of Erie v. Piece of Land*, 162 A. 445, 308 Pa. 454, at 457, 1932.
5. 72 P.S. 5511.14; Local Tax Collection Law, Section 14.
6. 72 P.S. 5511.42; Local Tax Collection Law, Section 42.
7. 72 P.S. 5511.11; Local Tax Collection Law, Section 11.
8. 72 P.S. 5511.11; Local Tax Collection Law, Section 11.
9. 72 P.S. 5671; 1932 Ex.Sess. P.L. 101.
10. Act of June 27,2006, Special Session 1, No.1, P.L., 53 P.S. §§ 6926.1501 - 6926.1505; Taxpayer Relief Act, Chapter 15.
11. Excludes interim and delinquent real property taxes.
12. 53 P.S. § 6926.1502 (b), Taxpayer Relief Act, Section 1502 (b). 53 P.S. § 6926.1502(c), Taxpayer Relief Act, Section 1502(c) sets forth the parameters for the mandatory program.
13. 53 P.S. §6926.1502(c)(2)(I), Taxpayer Relief Act, Section 1502(c)(2)(I).
14. 53 P.S. § 6926.1503(b); Taxpayer Relief Act, Section 1503(b). Electronic fund transfers must be made to the school district's depository bank and credit card payments must be made through the school district's depository bank or another bank designated by the school district.
15. Under Chapter 15, the first installment payment could be made to either the tax bureau, a tax collector, an assignee, or the school district's depository bank. Consequently, coordination will be needed regarding the due date for the first installment, notification procedures, collection schedules, and payments received, so that all parties are fully informed as to the status of a taxpayer's account. Section 25 of the Local Tax Collection Law (72 P.S. § 5511.25) requires that, unless more frequent reports are required pursuant to resolutions adopted by school districts, tax collectors must file reports to districts on the 10th day of each month for the prior month.

16. Only the primary residence of a property owner may receive the homestead exclusion (53 Pa.C.S. § 8401) or a farmstead exclusion (53 Pa.C.S. § 8582).
17. 53 P.S. § 6926.1502(c)(1); Taxpayer Relief Act, Section 1502(c)(1). School districts may allow other taxpayers to pay on an installment basis.
18. 53 P.S. § 6926.1502(c)(4) and (d); Taxpayer Relief Act, Section 1502 (c)(4) and (d).
19. 53 P.S. § 6926.1502(c)(3); Taxpayer Relief Act, Section 1502(c)(3). Section 1502(c)(4) permits installment payments after December 31 but before the date established by the county for the turnover of delinquent taxes, which is usually January 15, but may be delayed by a county until April 30th. See 52 P.S. § 5860.306. Assuming that property tax bills are distributed by July 1, the first installment payment is due July 15 and the turnover date is January 15, the number of installments would vary between three and seven.
20. 53 P.S. § 6926.1502(c)(2)(I), Taxpayer Relief Act, Section 1502(c)(2)(I) provides that a taxpayer conclusively evidences intent to use the installment plan by making the first installment payment before it becomes delinquent. If a taxpayer does not evidence intent to make installment payments, section 1502(c)(2)(ii) provides that the tax becomes due and payable and must be collected as provided in the Local Tax Collection Law.
21. 53 P.S. § 6926.1502(c)(4), Taxpayer Relief Act, Section 1502(c)(4) provides that installment payments cannot be considered delinquent if paid on or before respective installment dates.
22. 53 P.S. § 6926.1502(c)(4), Taxpayer Relief Act, Section 1502(c)(4) also provides that no further penalties may be added unless one or more installments remain unpaid and taxes are turned over to the county tax claims bureau or a lien is filed with the prothonotary for an unpaid installment.
23. Penalties added to delinquent real property taxes become part of the tax due. Penalties are included in the base on which all other delinquent interest and penalties are collected. (*Hamilton v. Lawrence*, 167 A 509, 109 Pa. Super. 344, 1933.)
24. 53 P.S. § 6926.1502(c)(4); Taxpayer Relief Act, Section 1502(c)(4).
25. 53 P.S. § 6926.1503(a)(1); Taxpayer Relief Act, Section 1503(a)(I).
26. 53 P.S. § 6926.1503(a)(1); Taxpayer Relief Act, Section 1503(a)(I).
27. 53 P.S. § 6926.1503(a)(1); Taxpayer Relief Act, Section 1503(a)(I). Tax collectors' compensation must be paid by the school district.
28. 53 P.S. § 6926.1503(a)(2); Taxpayer Relief Act, Section 1503(a)(2).
29. 53 P.S. § 6926.1504(a); Taxpayer Relief Act, Section 1504(a).
30. 53 P.S. § 6926.1504(a)(1); Taxpayer Relief Act, Section 1504(a)(1).
31. 53 P.S. § 6926.1504(a)(2); Taxpayer Relief Act, Section 1504(a)(2).
32. 53 P.S. § 6926.1504(a)(4); Taxpayer Relief Act, Section 1504(a)(4).
33. Where a tax claim is filed with the prothonotary or to be filed, Section 33 of the Municipal Claim and Tax Lien Law (53 P.S. § 7417) permits local taxing jurisdictions to assign real estate tax claims to third parties. Assignees are entitled to the same rights and remedies as taxing jurisdictions regarding the claim.
34. Section 316 of the Real Estate Tax Sale Law (72 P.S. § 5860.316) permits local taxing jurisdictions to assign delinquent real estate tax claims to third parties provided that an assignment is not effective until at least 30 days after delivery to the bureau by the taxing district of a resolution authorizing the assignment. Assignees are entitled to the same rights, remedies and responsibilities as taxing jurisdictions regarding the claim, including the taxing jurisdiction's portion of revenues collected or realized from a tax sale by a county tax claim bureau.
35. 53 P.S. § 6926.1504(a)(3); Taxpayer Relief Act, Section 1504(a)(3).
36. 53 P.S. § 6926.1504(a)(5); Taxpayer Relief Act, Section 1504(a)(5).
37. 53 P.S. § 6926.1504(b); Taxpayer Relief Act, Section 1504(b).
38. 53 P.S. § 6926.1505(a); Taxpayer Relief Act, Section 1505(a).
39. January 31, 2009 is when the collector's term ends.
40. 53 P.S. § 6926.1505(b); Taxpayer Relief Act, Section 1505(b).
41. 72 P.S. 5511.27; Local Tax Collection Law, Section 27.
42. *Gorson v. Lackawanna County Board of Commissioners*, 465 A.2d 703, 77 Pa. Cmwlth. 140, at 148, 1983.
43. *Buck v. Commonwealth*, 90 Pa. 110, 1879.
44. 72 P.S. 5566b; 1943 P.L. 349.
45. 72 P. S. 5020-518.1; General County Assessment Law, Section 518.1; 72 P.S. 5452.17; Second Class Assessment Law, Section 17; 72 P.S. 5350d; Third Class County Assessment Law, Section 13, 72 P.S. 5453.704; Fourth to Eighth Class County Assessment Law, Section 704; *Cedarbrook Realty v. Nahill*, 399 A.2d 374, 484 Pa. 441, at 447-52, 1979; *Connecticut General Life Insurance Co. v. Chartiers Valley School District*, 532 A.2d 41, 110 Pa. Cmwlth. 171, 1987, affirmed 555 A.2d 1293, 521 Pa. 480.

XI. Exonerations

The terms exemption, exoneration and abatement have been used incorrectly many times causing widespread confusion as to their meaning and their affect on taxes. Each is a different type of action with a different effect on the tax collection process.

An exemption is a state of immunity or freedom from a general tax or other public charge. Taxes are not levied against exempt persons or property. For instance, exempt real estate parcels do not appear on the duplicate of the tax collector. The assessment laws and the Local Tax Enabling Act grant taxing districts the authority to exempt persons whose income from all sources is less than \$5,000 from personal taxes. This action relieves the taxpayer from liability for these taxes. Because taxing districts frequently request local tax collectors to process exemption claims for per capita and occupation taxes, these exemptions have become confused with exonerations.

An exoneration is an official action of a taxing body to discharge the tax collector from the duty of collecting a particular tax. It is usually applied to personal taxes. Exoneration does not relieve the liability of the taxpayer. It simply means the tax collector will not be held accountable for that particular tax in settlement of the duplicate.

Abatement is the removal of responsibility to pay taxes after they have been assessed and levied. In Pennsylvania, abatements are authorized by the General Assembly, most often on the occasion of a major natural disaster causing extensive property damage, such as the floods of 1955, 1969, 1972, 1977 and 1996. Abatements usually require refunds from the taxing district after taxes have been paid for the year.

Granting Exonerations

The power to exonerate the tax collector from responsibility for certain taxes rests with the local governing body levying the taxes.¹ Exonerations are granted under certain conditions “as seem justifiable to the taxing district.” The taxing district may exercise its own discretion in deciding whether or not to grant exonerations.² Exonerations may be granted for: (1) uncollectible occupation and per capita taxes, (2) mistakes, (3) indigent persons, (4) unseated lands, (5) deaths and (6) removals. Exonerations were customarily thought to apply only to personal taxes, except for the categories of mistakes and unseated lands, because collection of delinquent real estate taxes could be enforced through sale of the parcel. However, one county court decision opened the possibility of taxing districts granting exonerations for real estate taxes owed by indigent persons.³ The power to grant such exonerations rests with the discretion of the taxing bodies.

There appears to be no definite statement guaranteeing tax collectors exoneration for uncollected personal taxes. The courts have held exoneration is discretionary with the taxing districts. However, the Local Tax Collection Law states elsewhere that the tax collector shall be granted exoneration for uncollected occupation and per capita taxes at settlement when the tax collector provides an oath or affirmation that wage attachments have been made for these taxes.⁴ If the taxing district fails to exonerate a tax collector for taxes which are uncollectible, the tax collector can appeal to the court of common pleas from any certificate of liability filed against them or their surety.⁵ When exonerations are granted, the clerk or secretary of the taxing district enters the names of all taxpayers, reason for exoneration, amount of tax involved and date of action in a ledger. Names of persons exonerated may be advertised in a local newspaper by the taxing district.⁶ The clerk or secretary issues a certificate to the tax collector, stating the nature of tax and the amount exonerated for purposes of settlement.

Effect of Exoneration

Exoneration does not in any way have the effect of discharging or limiting the liability of the taxpayer for the tax, but all methods of enforcing collection of the tax must be continued as if no exoneration had been made.⁷ However, these enforcement procedures must be pursued by the taxing district, since the tax collectors are prohibited from collecting taxes from which they have been exonerated.⁸ The taxing district may turn exonerated personal taxes over to its delinquent tax collector for collection.

Taxing districts wishing to excuse low-income persons from personal taxes should add exemption provisions to their per capita, occupation, occupational privilege or earned income tax ordinances as authorized by state law. It is a disservice to advertise an “exoneration” policy, misleading the taxpayers into thinking they will be relieved from liability for taxes if they qualify. A future governing body could proceed to enforce collection of such “exonerated” personal taxes.

Abatements

Abatements refer to the action of the taxing district in excusing taxpayers from taxes already paid or owing. Abatements are allowed at any time for mistakes in the form of refunds from the taxing district if a written claim is filed within 3 years from the date of payment.⁹ During the 1930s, the General Assembly frequently enacted laws abating penalties and interest on unpaid taxes of previous years. In the postwar period, such abatements have been limited to areas devastated by natural disasters. These abatement provisions rarely concern the tax collector because they generally apply to taxes not appearing on current duplicates.

References

1. 72 P. S. 5511.37; Local Tax Collection Law, Section 37.
2. *Borough of Rochester v. Geary*, 373 A.2d 138, 30 Pa. Cwlth. 493, at 496, 1977.
3. *Laws v. Chester* 16 D.&C.3d 432, at 441, C.P. Delaware Co., 1980.
4. 72 P.S. 5511.26; Local Tax Collection Law, Section 26.
5. 72 P.S. 5511.41 ; Local Tax Collection Law, Section 41.
6. 72 P.S. 5511.38; Local Tax Collection Law, Section 38.
7. 72 P.S. 5511.37; Local Tax Collection Law, Section 37; *Somerset Borough School District Auditor's Report*, 55 D.&C. 695, at 697, C.P. Somerset Co., 1945.
8. 72 P.S. 5511.15; Local Tax Collection Law, Section 15.
9. 72 P.S. 5566b; 1943 P.L. 349.

XII. Remedies for Collecting Delinquent Taxes

Taxes may be treated as delinquent for various purposes on different dates. From the point of view of the taxpayer, one's tax becomes delinquent 4 months after the date of the tax notice, when the penalty is added. Since this added charge serves to penalize the taxpayer for failure to pay within a prescribed time, taxes not paid within that period are considered delinquent. From the point of view of the taxing district, a tax is generally considered delinquent if it is not paid within the fiscal year that it is levied. At this time, it must be recorded as delinquent on the taxing district's accounts.

In third class cities, taxes are considered delinquent 30 days after the final deadline for payment of taxes in the current year. However, this only applies to the ability of the city treasurer to collect delinquent taxes through public sale.¹ The Real Estate Tax Sale Law was amended in 1998 to state that taxes shall be considered delinquent on December 31 of each calendar year for all taxing districts.²

The taxing district and the tax collector do not have to wait until the beginning of the penalty period before resorting to special methods of collecting taxes not paid voluntarily. Examples of these methods are wage attachment, rent sequestration, distress and sale of personal property, and set off against claims due by political subdivisions. Wage attachment against municipal officers and employees may only be made after the tax becomes delinquent, but the word "delinquent" is not defined. Suit in assumpsit may only be instituted after May 15 of the year subsequent to the tax notice. Return of unpaid real estate taxes to the county tax claim bureau is made by the last day of April of the following year.

From the tax collector's point of view, a tax is delinquent if it has not been collected at the time of settlement or the collector has not been exonerated from its collection. Tax collectors and their sureties can become liable for such unpaid taxes in cases where performance bonds are required. The Local Tax Collection Law provides the tax collector a number of remedies to enforce collection of delinquent taxes before the date of settlement. In collecting delinquent taxes, the tax collector may not add any additional fees to the tax bill unless expressly authorized by law.³

Distress and Sale of Personal Property

Distress is seizure of personal property, through a legal process known as distraint, holding it to ensure payment of taxes and its subsequent sale to satisfy any unpaid taxes. The Local Tax Collection Law authorizes the tax collector to enforce collection of any tax not paid within 2 months by distress and sale of personal property of the taxpayer.⁴

An 1834 act makes it the duty of the tax collector to proceed with distress and sale for all taxes not paid within 30 days.⁵ Language in the authorization in the Local Tax Collection Law appears to make the procedure discretionary on the part of the tax collector. Both acts state that any tax sales are not invalidated because the tax collector did not proceed with distraint to enforce collection of the unpaid tax. The Public School Code contains a provision requiring tax collectors to provide a certification of all unpaid real estate taxes accompanied with an affidavit affirming they could not find sufficient personal property on which to enforce collection of these taxes.⁶

The tax collector levies the amount of the tax, any penalty due and costs by distress and sale of personal property of the delinquent taxpayer, wherever these goods are located. Costs chargeable to the taxpayer for distress and sale cannot exceed fees allowed constables for similar services. These constable fees are set by state law and can be obtained from the district justice's office.⁷

The distraint levy must include a notice giving the taxpayer 10 days to appear at the office of the district justice to demand a hearing on the merits of the tax collector's claim. Public notice of sale must be given at least 20 days after the date of the levy and at least 10 days after any hearing by the district justice where the taxpayer is found delinquent. This notice must be made by posting 10 written or printed notices and by one advertisement in a newspaper of general circulation published in the county.

The tax collector may distraint and sell the personal property of any occupant of the real estate where taxes remain unpaid, following the same procedure for distress of the taxpayer's property.⁸ In order to protect their personal property from sale, the tenants may pay the real estate taxes and recover them from the owner by legal action or deduct the amount of taxes paid from rent due to the landlord. This recourse is limited to taxes assessed and billed during the tenant's occupancy of the real estate.

Prior to 1935, taxpayers were subject to imprisonment when there was not sufficient personal property on which to levy. Imprisonment for failure to pay taxes is now prohibited. If there appears to be insufficient personal property to cover the taxes due, it appears to be impractical to follow this procedure where the entire tax debt is not extinguished.

Rent Sequestration

Delinquent real estate taxes can be collected by a procedure known as sequestration of rents.⁹ The tax collector issues written notification to the tenant in possession of the real estate that the owner has failed to pay taxes due on the property. The notice must contain a request for the tenant to pay the tax, penalty and interest due out of any rent money then or thereafter due and owing to the landlord. Upon receipt of the notice, the tenant must pay the amount due to the tax collector. The tax collector then provides a receipt for the sums paid by the tenant; this serves as a sufficient voucher to offset any claim for rent by the landlord.

If the tenant fails to pay over the amount due out of rent moneys, the tax collector can enforce payment through distress and sale of the personal property of the tenant found on the property.¹⁰

Wage Attachment

Wage attachment is an order directing an employer to deduct delinquent taxes due to a political subdivision from the wages or other compensation of the employee named in the attachment order. Wage attachment is authorized only for delinquent per capita and occupation taxes.¹¹ Wage attachments may be made at any time after the tax notice has been sent, but in practice it is done only after the beginning of the penalty period. Wage attachment is a peremptory process; under the Local Tax Collection Law there is no provision for a hearing. Due process requirements are satisfied by the procedure for requesting a refund.¹²

A spouse's wages may be attached for a delinquent's taxes, but the tax collector must first pursue collection remedies against the delinquent or the delinquent's employer.¹³ Wages of no other family members may be attached to collect delinquent taxes.

All private employers and political subdivisions are subject to wage attachment orders. This was extended to the state government in 1963.¹⁴ There is no authority for a local tax collector to issue wage attachments to the federal government. Social security payments cannot be attached for unpaid local taxes.

Notice. The tax collector must issue a written notice and demand to the employer containing the name of the delinquent taxpayer and the amount due. Notice means explicit information of the material facts necessary to impose liability upon the employer. The notice should be sufficiently clear and definite to enable the employer to examine and investigate the claim and determine whether it is correct or not.¹⁵ Besides the name and amount, the notice should include the type of tax and year in which it is due, a statement of the taxpayer's delinquency and a statement that the employee is a resident and liable for the taxes.

The employer must deduct the taxes and costs shown on the attachment order from any wages, commission or earnings of the person named within 60 days. The employer must pay the money over to the tax collector within 60 days after the date of the notice. The tax collector is allowed to charge and collect costs for the presentation of the wage attachment demand. A sum of \$10 is a reasonable amount for such costs, since it is comparable to amounts allowed in the constables' fee schedule. This charge and all other fees levied by the tax collector should have proper authorization in the form of an ordinance of the municipal governing body. The employer is entitled to deduct from the monies collected from each employee an amount not to exceed 2 percent as reimbursement for extra bookkeeping costs. This is not an additional charge on the employee, but is deducted from the amount turned over to the tax collector.

If any employers fail to attach the wages and pay over the money within 60 days, they forfeit the amount of taxes listed on the attachment plus a penalty of 10 percent. This amount may be recovered by an action of assumpsit by the tax collector or taxing district.

Act 511 Taxes. The Local Tax Enabling Act authorizes wage attachments for delinquent occupation, occupational privilege, per capita and earned income taxes.¹⁶ The procedure is the same as under the Local Tax Collection Law, except the employer may not withhold more than 10 percent of the wages of the delinquent taxpayer or spouse at any one time. The other difference is that wage attachment for Act 511 personal taxes requires a prior notice to the taxpayer.¹⁷ The tax collector must give at least 15 days notice to the delinquent taxpayer by certified or registered mail prior to submitting the wage attachment order to the employer.

The local tax collector must make wage attachments for all per capita and occupation taxes that are not paid voluntarily. No exoneration will be granted to tax collectors for uncollected personal taxes at settlement unless they swear or affirm they have made wage attachments for these taxes.¹⁸ Wage attachment is mandatory, and failure to use it to recover unpaid taxes can render tax collectors or their surety liable.

Payroll Deductions from Local Government Employees

All political subdivisions except Philadelphia and the Philadelphia School District are authorized to collect delinquent taxes from the wages of their officers and employees.¹⁹ This authority is not limited to personal taxes as in the case of the general wage attachment authorization and may be used for any tax owing to the political subdivision.

The tax collector must notify the taxing district of all its officers and employees that owe delinquent taxes to the district, including a statement of the years the taxes are owed, the amount of taxes, penalties, interest and costs. The taxing districts may also take this step after settlement and after taxes are returned to the county tax claim bureau.

Before any deductions are made, the governing body must notify the employee or officer in writing of its intent to make payroll deductions for the delinquent taxes, unless the taxes, penalties, interest and costs are paid within a specified time. The taxing district can make payment arrangements with the delinquent taxpayer, retaining its right to make payroll deductions in case of failure to comply with the agreement.

The governing body then orders the disbursing officer to deduct an amount sufficient to pay the total sum. However, no more than 20 percent of the amount of compensation payable may be deducted at a single payroll. The taxing district treasurer pays the amount deducted to the tax collector. The tax collector credits the amount received on the tax duplicate and sends the taxpayer a receipt for the amount of the delinquent taxes, penalties and interest collected.

Set Off Against Claims Due by Political Subdivision

All political subdivisions except Philadelphia are permitted to deduct any delinquent taxes owed to them from any payments they owe to the delinquent taxpayer.²⁰ Before paying any amount owed to any person or corporation, the local government may determine if the individual is delinquent on any taxes. If persons are delinquent, the local government may withhold all or part of the payment until they agree to payment of the delinquent taxes. The withheld funds may be kept until payment is made or provision for payment is made. If the delinquent taxes are not paid, the local government can petition the Court of Common Pleas to decree that the delinquent taxes be set off against the amount owed to the individual. The court holds a hearing within 90 days and, if satisfied, orders the amount set off and assigns costs.

Suit in Assumpsit

A suit in assumpsit is a legal action to recover a debt (taxes in this case) founded on an implied promise of the defendant to pay what one is bound to pay. This action is based on the personal liability for taxes on real estate in Pennsylvania. That is, the property owner is personally responsible for any taxes levied on the property during one's tenure of ownership and unpaid taxes may be recovered by sale of any of the owner's real or personal property.²¹ This personal liability exists only for seated land; it does not accrue for unseated lands, lands lacking a dwelling place or otherwise unimproved, uncultivated or unenclosed.²²

Both the tax collector and the taxing district are granted the power to recover unpaid real estate taxes by filing suits in assumpsit.²³ Every suit to enforce personal liability of the owner for unpaid real estate taxes must begin within 5 years after the date the taxes become due.²⁴ These suits are brought before the district justice if the amount involved is less than \$8,000; otherwise, before the Court of Common Pleas.²⁵

The tax collector may institute a suit in assumpsit for unpaid real estate taxes after May 15 of the year subsequent to their levy, unless the property has been returned to the tax claim bureau or a lien on the property has been entered (*Allegheny County only*). Since all unpaid real estate taxes must be returned to the county tax claim bureau by the last day of April of the subsequent year, a tax collector's use of this remedy would not normally occur.

Taxing bodies are authorized to institute suits in assumpsit to recover unpaid real estate taxes by attaching the personal property of the taxpayer, including any financial assets. A judgment entered against a delinquent taxpayer carries an additional penalty of 10 percent plus costs. The taxing district may institute a suit in assumpsit even though the property has been returned to the county tax claim bureau.²⁶

However, the Real Estate Tax Sale Law now requires all taxes returned to the tax claim bureau to be payable only to the bureau. If the governing body's suit for delinquent taxes already returned to the bureau is successful, the funds must be paid into the bureau. If the governing body fails to have payment made directly to the bureau, it still remains liable for the accumulated costs and charges of the tax claim bureau.²⁷

Delinquent Tax Collector

School districts have specific authority to appoint annually special collectors of delinquent taxes.²⁸ On or before the first Monday of July, the board of school directors may appoint one or more delinquent tax collectors to collect all delinquent school taxes from which the regular tax collector has been exonerated, except for those taxes returned to the county tax claim bureau. The delinquent tax collector has all the powers of a regular tax collector. The compensation is set by the school district. There is no authority to exact an additional fee from the delinquent taxpayers to compensate for the services of the delinquent tax collector.²⁹ Any additional compensation must come from the tax receipts.

A 2000 amendment to the Local Tax Collection Law mandates all counties, cities of the third class, boroughs, towns and townships to appoint the elected tax collector as the delinquent tax collector by ordinance, with the same rights and responsibilities as school district special collectors of delinquent taxes.³⁰

Third class city treasurers are to collect all unpaid taxes, including delinquent taxes turned over at the expiration of the term of the previous treasurer.³¹

As long as the elected tax collectors have the duplicate for real estate and code personal taxes, they remain responsible for their collection. However, after settlement the taxing district has the right to collect all unpaid taxes.

Taxing districts have full authority to provide for collection of Act 511 taxes, including delinquent taxes.

In the past, taxing bodies have added the costs for compensating the delinquent tax collector to the total taxes, penalties and charges assessed by the delinquent taxpayer. However, the Commonwealth Court has ruled there is no legal basis for imposing these costs on the taxpayer; such costs must be borne by the taxing district.³²

References

1. 53 P.S. 37541; Third Class City Code Section 2541.
2. 72 P.S. 5860.102; Real Estate Tax Sale Law, Section 102.
3. *Brown v. LeSurer*, 27 A.2d 754, 149 Pa. Super. 192, at 195, 1942.
4. 72 P.S. 5511.17; Local Tax Collection Law, Section 17; *Kinney v. H.A. Berkheimer, Inc.*, 376 F.Supp. 49, D.C., 1974.
5. 72 P.S. 5641; 1834 P.L. 509, Section 21.
6. 24 P.S. 6-605; Public School Code, Section 605.
7. 42 Pa.C.S. 2950.
8. 72 P.S. 5511.18; Local Tax Collection Law, Section 18.
9. 72 P.S. 5511.19; Local Tax Collection Law, Section 19; *Cedarbrook Realty, Inc. v. Nahill*, 399 A.2d 374, 484 Pa. 441, at 458, 1979.
10. 72 P.S. 5511.18; Local Tax Collection Law, Section 18.
11. 72 P.S. 5511.20; Local Tax Collection Law, Section 20; *Martin v. Danko*, 143 Pa. Super. 106, at 110, 1940.
12. *Wetzel v. Harrisburg Steel Company*, 97 Dauphin 313, at 315, 1975.
13. 72 P.S. 5511.20; Local Tax Collection Law, Section 20; 24 P.S. 6-679; Public School Code, Section 679; *Hartman v. Columbia Malleable Castings Corporation*, 63 A.2d 406, 164 Pa. Super. 1, at 8, 1949.
14. 72 P.S. 5511.20a; Local Tax Collection Law, Section 20.1.
15. *Martin*, supra, at 113.
16. 53 P.S. 6919; Local Tax Enabling Act, Section 19.
17. 53 P.S. 6920.1; Local Tax Enabling Act, Section 20.1.
18. 72 P.S. 5511.26; Local Tax Collection Law, Section 26.
19. 72 P.S. 5685; 1937 P.L. 316.
20. 53 P.S. 7231; 1937 P.L. 2611; *Equitable Gas Co. v. City of Pittsburgh*, 488 A.2d 270, 507 Pa. 53, at 59, 1985.
21. *Frailey Township School District v. Schuylkill Mining Company*, 64 A.2d 788, 361 Pa. 557, at 562, 1949.
22. *Hoverter Estate*, 50 Berks 171, at 172, 1959.
23. 72 P.S. 5511.21; Local Tax Collection Law, Section 21.
24. 72 P.S. 5512; 1949 P.L. 908, No. 249.
25. 42 Pa.C.S.A. 1515; Judicial Code, Section 1515.
26. 72 P.S. 5511.21(b); Local Tax Collection Law, Section 21(b); *Walingford Swarthmore School District v. Kuyumjian*, 625 A.2d 1305, Pa.Cmwlth., 1993, citing *Tremont Township School District v. Western Anthracite Coal Company*, 73 A.2d 670, 364 Pa. 591, 1950.
27. 72 P.S. 5860.204(b); Real Estate Tax Sale Law, Section 204(b); *Apollo Ridge School District v. Tax Claim Bureau of Indiana County*, 595 A.2d 217, 141 Pa.Cmwlth. 111, 1991.
28. 24 P.S. 6-686; Public School Code, Section 686; *Newhard v. North Union Township School District*, 111 A.2d 367, 177 Pa. Super. 477, at 480, 1952.
29. *Brown*, supra, at 196.
30. 72 P.S. 5511.26a; Local Tax Collection Law, Section 26.1
31. 72 P.S. 5511.28; Local Tax Collection Law, Section 28.
32. *Selinsgrove Area School District v. Krebs*, 507 A.2d 906, 96 Pa. Cmwlth. 303, 1986.

XIII. Paying Over Tax Receipts

At a minimum, the tax collector is required to pay over tax receipts to the treasurer of the taxing district on or before the tenth day of every month. The taxing district may require more frequent payments by ordinance or resolution.¹ In large jurisdictions, it is not unusual for the taxing district to require daily payment during periods of greatest activity, such as the end of the discount period. The minimum monthly payments are mandatory and must be required by the taxing district.²

Failure of the tax collector to make the required payments cannot result in forfeit of compensation. But, because commissions are often based on collections within a given period, compensation can be delayed.³ Of course, any tax collector who illegally withholds funds owed to the taxing district becomes subject to criminal penalties and removal from office. The Pennsylvania Supreme Court recently held that an elected tax collector cannot be prosecuted for separate offenses under both the Crimes Code for theft and under the Local Tax Collection Law for embezzlement.⁴

All tax funds collected by the tax collector should be deposited in a bank account. Since bank services and fees vary, tax collectors should shop for a financial institution which can best serve them. The tax collector and ultimately the surety are responsible for these funds. The tax collector only serves as trustee of the funds; any interest earned on the tax monies belongs to the taxing district, not to the tax collector.⁵ A tax collector should establish a separate account for depositing tax monies. Ideally, a separate account should be established for each taxing district. The EIN number of the taxing district should be used for identification purposes, not the Social Security number of the tax collector. Under no circumstances should tax collectors deposit tax funds into personal accounts. All interest earned should be credited to the proper taxing district and paid over monthly or more frequently as the taxing district requires. In some jurisdictions, tax collectors deposit funds directly into the accounts of the taxing districts. This practice is quite acceptable.

City treasurers pay over to themselves all tax monies collected on behalf of the city. These must be deposited in the official depository as designated by city council. Compliance with the deposit requirements of the city ordinance relieves the treasurer and the surety from any liability for loss due to the insolvency or negligence of the depository institution.⁶

In first class townships, the treasurer is required to keep all township funds, including township taxes collected, in the official depository designated by the township board of commissioners.⁷ Compliance with the depository regulations relieves the treasurer and the surety from any liability for loss due to the insolvency or negligence of the depository institution.

For borough and township tax collectors, no depository provisions exist. Since they are subject to a performance bond, the tax collectors and their sureties are responsible for all funds until they are paid over to the taxing district.

All funds should be deposited in institutions insured by federal depository insurance agencies. Accounts should be kept below the federal insurance maximum of \$100,000 to avoid any liability for loss due to insolvency or negligence of the financial institution. If funds on deposit do exceed \$100,000, tax collectors must obtain a letter of collateral from the financial institution. Tax collectors should avoid any substantial accumulation of funds for their own protection. If they find this occurring, they can suggest more frequent payments to the taxing district.

References

1. 72 P.S. 5511.25; Local Tax Collection Law, Section 25.
2. *Litchfield Township Supervisors*, 65 D.&C. 108, at 126, Q.S. Bradford Co., 1948.
3. *Newhard v. North Union Township School District*, 111 A.2d 367, 177 Pa. Super. 477, at 482, 1952; *Appeal from Aliquippa Auditors' Report*, 24 Beaver 142, at 145, 1963.
4. *Commonwealth v. Lussi*, 562 Pa. 621, 757 A.2d 361 (Pa. 2000).
5. 72 P.S. 5511.39; Local Tax Collection Law, Section 39; *Witherow v. Weaver*, 12 A.2d 92, 337 Pa. 488, at 492, 1940.
6. 53 P.S. 36406, 37536; Third Class City Code, Sections 1406 and 2536.
7. 53 P.S. 55808; First Class Township Code, Section 808.

XIV. Closing Out Duplicate

As the agent for the taxing district, the tax collector must make a final settlement of the tax duplicate by January 15 for the prior calendar year.¹ This involves settlement of all taxes on the duplicate, discharge of bond liability, audit and return of unpaid real estate taxes to the county tax claim bureau. Settlement for the current year must be made before the tax collector may receive a duplicate for the following year.

Settlement of Accounts

At settlement, the tax collector presents the accounts to the representatives of the taxing district unless an earlier date is established by the board of county commissioners. They examine the accounts to determine if the tax collector has discharged all responsibilities. Circumstances surrounding all uncollected taxes are investigated to determine if exoneration of the tax collector is justified.

Settlement is made on an annual basis.² The taxing district designates the officer or officers who are to make settlement with the tax collector. Settlement of all taxes for the prior calendar year must occur no later than January 15.

The tax collector must also make a return of all unpaid real estate taxes to the county tax claim bureau by the last day of April of the year following the issuance of the duplicate unless an earlier date is established by the county commissioners.³ Since any current duplicate must be settled before a new duplicate is issued, settlement for county and municipal taxes usually occurs around the end of the calendar year. When a tax collector is not re-elected, the taxing districts may wish to require settlement before the expiration of the incumbent's term.

At settlement, tax collectors are permitted a credit for the following: (1) all taxes collected and paid over; (2) all uncollected, nonlienable installment payments carried forward; (3) all unpaid taxes certified as delinquent taxes; (4) all unpaid taxes resulting from an interim assessment; (5) all unpaid real estate taxes returned to the county tax claim bureau; and (6) all occupation and per capita taxes where the tax collectors have been exonerated upon their oath that they have made wage attachments.⁴ As part of the final settlement, tax collectors must sign an oath swearing they have made a true and just return of all taxes collected by them. The oath is administered by the officer making settlement with the taxing district and filed there. The tax duplicate belongs to the municipality. The tax collector's warrant should be surrendered to the municipality at settlement.

Tax collectors must settle the current year's duplicate before receiving the duplicate for the next year.⁵ This applies to all county and school taxes, and to municipal taxes levied by boroughs and second class townships. However, this prohibition does not apply if the prior year was in a prior term; a newly reelected tax collector is entitled to a duplicate even if the duplicate for the last year of the prior term is outstanding.⁶

Discharging Bond Liability

In boroughs and second class townships, the tax collector and surety are discharged from further liability on the bond for the taxes charged in the duplicate as soon as they are either: (1) collected and paid over to the taxing district, (2) returned to the county tax claim bureau, or (3) accounted for by exoneration in cases of uncollectible occupation and per capita taxes. Exoneration for per capita and occupation taxes must be granted only after an oath of the tax collector swearing wage attachments have been issued for them. The tax collector and surety are not discharged if the tax collector has actually collected the taxes, but has not paid them over to the proper taxing district. In this case, the tax collector had engaged in a fraudulent lapping scheme to defraud the borough and the county.⁷

City treasurers and their sureties are discharged from liability on any bond as tax collector as soon as all items on the duplicate are either: (1) collected and paid over (2) returned to the tax claim bureau or (3) in the case of personal taxes, a record of those remaining uncollected is filed with the taxing authority.⁸

First class township treasurers and their sureties are discharged from liability on any bond as tax collector as soon as all items on the duplicate are either: (1) collected and paid over to the taxing district (2) returned to the county tax claim bureau, (3) set forth in a schedule certified to the taxing district, or (4) in case of occupation or per capita taxes, accounted for by exoneration upon the oath of the treasurer wage attachments have been issued for them. Filing a list of uncollected personal taxes simply relieves the treasurer and surety from the obligation contained in the fidelity bond, but does not relieve the treasurer from all liability for collecting these taxes. This can only be done by exoneration by the taxing districts.⁹ All suits and legal actions on a bond of the tax collector must be begun within four years after the cause for action occurred.¹⁰

This four-year statute of limitations for the taxing district to make a claim on a bond is to protect the public interest. It does not have any effect on the time allowed the surety company to proceed against any third parties to recover funds wrongfully paid.¹¹

Audit

The tax collector's accounts are audited by the duly authorized auditors of the taxing district, the elected auditors, controller or an independent appointed auditor. The taxing districts may agree to conduct one simultaneous audit for all taxing districts. If the audit is conducted by the controller or auditors of the taxing district, it must be conducted in accordance with the statutes governing that taxing district. If the audit is conducted by a certified public accountant, the audit must be conducted in accordance with generally accepted auditing standards. The audit includes the tax collector's final accounts and records, monthly or other periodic returns and payments and duplicates. The provisions for auditing in the Local Tax Collection Law supersedes any references to auditing of tax collector's accounts in the municipal codes.¹²

The auditors should review the internal controls, accounting and record keeping practices of the elected tax collector. These include methods of bank account reconciliations, recording cash receipts and disbursements, making deposits and tax duplicate control. Responsibility for settlement rests with the taxing district, and the auditors cannot enforce liability for exonerations validly made by the taxing district.¹³

In the event of a vacancy in the office of tax collector, whether by death, resignation, removal from the municipality or otherwise, the municipal codes require an interim audit of the tax collector's accounts. This interim audit may be used as the settlement of the outgoing tax collector's duplicate.

Certificate of Liability

When in settlement or audit, the taxing district or its auditors finds any taxes due and unpaid for which a credit is not allowable, the tax collector becomes liable for those taxes. This is done by filing a certificate of liability in the office of the prothonotary, stating the amount due and unpaid by the tax collector.¹⁴ The certificate must list the amounts due in detail. The taxing district must give notice of the filing by registered mail to the tax collector and the surety. When a certificate is filed, the surety becomes a defendant.¹⁵

The prothonotary enters the certificate on a docket and it has the same legal force and affect as a judgment of the court. The tax collector or surety may appeal to the court of common pleas within 30 days from the date of the notice after filing bond. The court then requires the taxing district to show cause why the judgment should not be opened or stricken. The taxing district has 30 days to respond. The issues raised on the appeal and answer are tried by a court and jury, unless a jury trial is waived by both parties.

If the liability of the tax collector is upheld, judgment can be enforced against the tax collector or surety. Any action against the surety must be begun within 4 years after the cause for action.¹⁶ If the action had been filed within the statute of limitations, but where further audit uncovers more deficiencies, the original tax collector's certificate of liability may be amended to include the additional shortage discovered.¹⁷ If any tax collector remains liable for taxes after settlement and after the warrant has expired, they may bring suit to collect these taxes from the delinquent taxpayers.¹⁸

Sale of Real Estate for Unpaid Taxes

All unpaid taxes on real estate are returned by the tax collector to the county tax claim bureau on or before the last day of April of each year, but no earlier than the first day of January.¹⁹ All unpaid taxes from the prior year's duplicates must be returned, except those being paid on an installment agreement. The county commissioners may establish a uniform return date for all taxes returnable to the tax claim bureau. When this is done, the return date becomes uniform for all taxing districts within the county. In counties with a uniform return date, all taxing districts must make settlement early enough to allow the tax collector to make the return to the tax claim bureau by the specified date. In counties without a uniform return date, settlement may be set by the taxing district at any date, as long as it is sufficiently early to allow the tax collector to make the return before April 30. Except for Allegheny County, all delinquent taxes are returned to the tax claim bureau and can no longer be filed as liens in the office of the prothonotary. The deadline for return supersedes any other deadline for settlement.

Returns must be typewritten on a form provided by or acceptable to the county. They include a list of all properties for which taxes remain unpaid as listed in the duplicate with the amounts owing to the end of the month of the return. The tax collector must sign an affidavit affirming the return is correct and complete. The tax collector's return must provide the following information to the tax claim bureau for each parcel.²⁰

- (1) The name of the taxing district.
- (2) The name of the owner of the property, unless the name of the owner has been unknown for five or more years.
- (3) A description of the property sufficient to identify it.
- (4) The year or years for which the tax was levied; the amount of tax for each year; and the interest and penalties due at the time of filing.

The tax collector is not required to notify the property owner that a return has been made to the tax claim bureau. The tax claim bureau makes notice by July 31 that taxes have been returned and a claim entered.

After return to the tax claim bureau, the tax collector's responsibility for a real estate tax ceases. The tax collector receives no commission for any taxes collected thereafter by the tax claim bureau.

Sheriff Sales. The tax collector must keep a constant check of sheriff sales. The sheriff is responsible for the sale of property to satisfy many kinds of debts other than taxes. Any sheriff sale divests the lien of all taxes. It is the duty of the tax collector to notify the sheriff of any outstanding taxes against any land advertised to be sold by the sheriff.²¹ The sheriff must pay the taxes due from the proceeds arising from the sale immediately after payment of the costs of the sale. If the tax collector fails to report delinquent taxes on any such property to the sheriff, these taxes will be unenforceable after the distribution, and the tax collector will be liable on the bond for those taxes. The tax collector should file a bill of taxes with the sheriff on all properties advertised for sheriff sale. There is no requirement to disclose tax liens to potential purchasers.

References

1. 72 P.S. 5511.26; Local Tax Collection Law, Section 26.
2. 72 P.S. 5511.26; Local Tax Collection Law, Section 26.
3. 72 P.S. 5860.306(a); Real Estate Tax Sale Law, Section 306(a).
4. 72 P.S. 5511.26; Local Tax Collection Law, Section 26.
5. 72 P.S. 5511.31; Local Tax Collection Law, Section 31; 24 P.S. 6-685; Public School Code, Section 685.
6. *Bogdan v. School District of Coal Township*, 85 A.2d 139, 369 Pa. 143, at 152, 1952.
7. 72 P.S. 5511.4; Local Tax Collection Law, Section 4; *County of Somerset v. George*, 587 A.2d 360, 138 Pa.Cmwlt. 660, 1991, appeal denied 598 A.2d 285, 528 Pa. 632.
8. 53 P.S. 36402; Third Class City Code, Section 1402.
9. 53 P.S. 55801; First Class Township Code, Section 801; *School District of Cool Township v. Bogdan*, 84 D.&C. 95, at 101, C.P. Northumberland Co., 1952.
10. 42 Pa. C.S.A. 5525; Judicial Code, Section 5525.
11. *American Insurance Company v. Ford Motor Credit Company*, 648 A.2d 576, Pa.Super., 1994.
12. 72 P.S. 5511.26; Local Tax Collection Law, Section 26; *Audit Report of the Township of Bristol*, 57 D.&C.2d 18, C.P. Bucks Co., 1972; *Kennett Square Borough 1964 Financial Report*, 42 D.&C.2d 763, at 765, C.P. Chester Co., 1967.
13. *Somerset Borough School District Auditors' Report*, 55 D.&C. 695, at 697, C.P. Somerset Co., 1945.
14. 72 P.S. 5511.41; Local Tax Collection Law, Section 41; *County of Bucks v. Cogan*, 615 A.2d 810, 150 Pa.Cmwlt. 74, 1992, appeal denied 627 A.2d 181, 534 Pa. 650.
15. *Borough of Midland v. Trainer*, 33 Beaver 115, at 117, 1973.
16. 42 Pa. C.S.A. 5525; Judicial Code, Section 5525; *American Insurance Company*, supra.
17. *County of Somerset*, supra.
18. 72 P.S. 5645; 1848 P.L. 517, Section 3.
19. 72 P.S. 5860.306; Real Estate Tax Sale Law, Section 306.
20. 72 P.S. 5860.309; Real Estate Tax Sale Law, Section 309.
21. 53 P.S. 7105; 1895 P.L. 111, No. 84, Section 2; *Pivrotto v. Starusko*, 440 A.2d 637, 64 Pa.Cmwlt. 346, at 348, 1982; *Berkey v. Johnson*, 45 D.&C.3d 201, C.P. Somerset Co., 1987.

XV. Tax Collector Liability

Local tax collection in Pennsylvania, by design, creates a liability for local government and school district taxing authorities as well as the tax collector. In Pennsylvania, the taxing district levies the property tax on its residents but does not collect that tax. Rather, an independently elected tax collector is required by law to be the sole collector of property taxes.

Several issues relative to risk management and insurance need to be understood by the taxing district and the elected tax collector. The need for appropriate bonding is mandated by law, but the various laws are silent on other insurances. For example, if your taxing district does not provide office space for the tax collector and that collector operates from a private residence, the personal homeowners insurance should name the taxing body as an added named insured for purposes of tax collection only, and the taxing district should name the collectors' property as long as property of the taxing body is on the premises. This would provide coordinated coverage and remove any doubt as to whether or not coverage exists if it is ever needed. The policy should have business usage coverage to protect against loss of valuable records, theft, etc. The taxing body's policy should mention it has official operations and records off the premises since the homeowners policy probably will not cover business property of others which is stored in the tax collector's home.

With home rule and other charter differences, the role of the tax collector may vary greatly from municipality to municipality. Furthermore, contracts for service to collect taxes other than real estate may change the relationship. Check with your solicitor and ask for a determination about how Pennsylvania case law has treated the particular relationship between the tax collector and the taxing district, and in particular, under what circumstances has the tax collector been considered an "employee" and under what circumstances has the tax collector been considered an "independent contractor."

Since the tax collector independently serves more than one taxing jurisdiction, the prudent tax collector should consider obtaining a business package policy designed to cover exposures typically associated with any small business. A local independent insurance agent could recommend what coverages should be included in the business package depending upon the tax collector's special circumstances. Typically the package includes Commercial General Liability, Commercial Property and Commercial Auto insurance. Purchase of crime coverage should be considered if money and checks are stored on site. Also, the tax collector should seriously consider purchasing a separate Public Officials Liability (Errors and Omissions) policy to cover the errors and omissions exposure. This policy is important because it would pay for the defense costs incurred in the event a tax collector is sued and must provide a defense in court. It would be wise to check with the taxing district to determine whether or not elected tax collectors are included on the public official liability policy (the district may have to inquire with their agent) and if so, the collector need not purchase this policy.

The local tax collection law, 72 P.S. 5511, establishes the procedures for settlement of tax duplicates and the requirements for payment over to the taxing district. It also lists procedures for exonerations. Exonerations and the procedure for properly accounting for them are stated in this manual. However, tax collectors must ensure the taxing district, either the municipal secretary if a local government, or the appropriate official in a school district, by properly certifying in writing the name, amount and reason for each taxable not accounted for and for which the collector is being exonerated. This record must be presented at settlement so that a proper accounting of all monies can be made and the duplicate properly settled.

Finally, once settlement occurs, the tax records must be retained according to the Municipal Records Manual. These records are public documents and as such are the property of the municipal taxing district and should be maintained and stored by that district unless other arrangements are made with the collector. The Municipal Records Manual establishes the retention schedule for municipal records and the procedure municipalities must

use to dispose of records legally. For more information on records retention and disposition and to obtain a copy of the Municipal Records Manual, contact the Division of Archival and Records Management Services at the Pennsylvania Historical and Museum Commission, P.O. Box 1026, Harrisburg, PA 17108-1026, (717) 783-9874.

Local Tax Collection Law

Act of May 25, 1945, P.L. 1050, No. 394
72 P.S. § 5511.1 et seq.

Includes all amendments through the act of July 7, 2006, P.L. 374 No. 80

AN ACT

Relating to the collection of taxes levied by counties, county institution districts, cities of the third class, boroughs, towns, townships, certain school districts and vocational school districts; conferring powers and imposing duties on tax collectors, courts and various officers of said political subdivisions; and prescribing penalties.

Compiler's Note: Section 301(a)(16) of Act 58 of 1996, which created the Department of Community and Economic Development and abolished the Department of Community Affairs, provided that all other powers and duties delegated to the Department of Community Affairs not otherwise expressly transferred elsewhere by Act 58 and currently performed by the Department of Community Affairs under Act 394 are transferred to the Department of Community and Economic Development.

TABLE OF CONTENTS

- Section 1. Short Title.
- Section 2. Definitions.
- Section 3. Application of Act.
- Section 4. Bonds of Tax Collectors.
 - Section 4.1. Basic and Continuing Education Programs for Tax Collectors.
 - Section 4.2. Joint Tax Collection District.
 - Section 4.3. Tax Collection Records.
- Section 5. Tax Collector's Warrant.
 - Section 5.1. Interim Assessment; Duplicate; Warrant.
- Section 6. Notices of Taxes.
- Section 7. Effect of Failure to Receive Tax Notice.
- Section 8. Affidavit as to Notice.
- Section 9. Expenses Paid by Taxing Districts.
- Section 10. Discounts; Penalties; Notice.
- Section 11. Installment Payment of Taxes.
- Section 12. Payment of Taxes by Joint-Tenants, etc.
- Section 13. Collectors Required to Be in Attendance.
- Section 14. Tax Receipts.
- Section 15. Receiving County Taxes Not Assessed and Adding Names to Duplicates Prohibited.

- Section 16. Adding Names to Duplicates.
- Section 17. Distress and Sale of Goods and Chattels of Taxpayer.
- Section 18. Collection of Taxes from Occupants of Real Estate by Distress.
- Section 19. Collection of Tax on Real Property Out of Rent Payable by Tenant.
- Section 20. Collection of Per Capita, Poll and Occupation Taxes from Employers, etc.
- Section 20.1. Collection of Per Capita and Occupation Taxes from the Commonwealth.
- Section 21. Collection of Taxes by Suit.
- Section 22. Deputy Tax Collectors.
- Section 23. Collection of Unseated Land Tax in Certain Counties.
- Section 24. Collection of Unseated Land Taxes in Seventh and Eighth Class Counties.
- Section 25. Collection and Payment Over of Taxes.
- Section 26. Settlement of Duplicates; Audit.
- Section 26.1. Delinquent Tax Collector.
- Section 27. Recovery of Taxes Paid Over by Tax Collector.
- Section 28. Expiration of Term of Third Class City Treasurer and County Treasurer.
- Section 29. Collection of Taxes after Expiration of Office.
- Section 30. Collection of Taxes by Legal Representatives of Deceased Collector.
- Section 31. Failure to Settle Duplicates.
- Section 32. Compensation to Be Made by Warrant.
- Section 33. Compensation and Expenses of Tax Collector in Cities of the Third Class Shared.
- Section 34. Compensation of Tax Collector in First Class Townships.
- Section 35. Compensation of Tax Collector in Boroughs and Townships of the Second Class.
- Section 36. Compensation for Collection of Vocational School District Taxes.
- Section 36.1. Changing Compensation of Tax Collector.
- Section 36.2. Compensation for Interim Tax Bills.
- Section 37. Exonerations.
- Section 38. Advertising Names of Person Exonerated.
- Section 39. Defaulting Tax Collectors; Embezzlement; Penalty.
- Section 40. Collection of Taxes by Sureties of Defaulting or Deceased Collectors.
- Section 41. Judgment on Liability of Collector of Taxes; Appeals; Execution.
- Section 42. Penalty.
- Section 43. Repeals.
- Section 44. General Repealer.
- Section 45. Effective Date.

Section 1. Short Title.--This act shall be known and may be cited as the "Local Tax Collection Law."

Section 2. Definitions.--The words--

"**Duplicate**" shall mean a listing of the valuations of persons and property within a taxing district taxable for the applicable year and may include a computerized billing register of annual taxes. It shall be prepared or derived from the county assessment roll and, after being certified as accurate by the taxing district, shall be used by the tax collector to notify the persons whose names appear thereon of the valuations and identification of the properties or persons taxed, the rates of taxes and the amount of tax due. A duplicate can be in a written, typographical, photostatic, photographic, microphotographic, microfilm, microcard, miniature photographic, optical electronic or other form which comprises a durable medium and from which an accurate reproduction can be made. (Def. added Dec. 21, 1998, P.L.1294, No.169)

"**Tax Collector**" or "**Elected Tax Collector**" shall include every person duly elected or appointed to collect all taxes, levied by any political subdivision included in the provisions of this act, including the treasurers of cities of the third class and of townships of the first class in their capacity as treasurers, and county collectors of taxes in counties of the third, fourth, fifth, sixth, seventh and eighth class who have been designated to collect county and institution district taxes in cities of the third class and county treasurers in counties of the fourth, fifth, sixth, seventh and eighth class who have been designated to collect county taxes in municipalities existing or organized under 53 Pa.C.S. Pt. III Subpt. E (relating to home rule and optional plan government) that have eliminated the elective office of tax collector. The term includes a person authorized to collect taxes under section 4.2 of this act. (Def. amended Mar. 22, 2002, P.L.200, No.14)

"**Taxing District**" shall include counties (except counties of the first or second class), county institution districts (except in counties of the second class), cities of the third class, boroughs, towns, townships and school districts of the second, third and fourth classes, and vocational school districts. The term "taxing district" shall also include a city of the second class A for the purposes of sections 10 and 11 of this act. (Def. amended Dec. 13, 1982, P.L.1201, No.275)

"**Taxes**" shall include all taxes levied and assessed by taxing districts, except those levied and assessed under authority of the act of June 25, 1947 (P.L.1145), as amended, and shall also include the penalties and interest imposed thereon.

(2 amended Feb. 2, 1966, 1965 P.L.1872, No.592)

Section 3. Application of Act.--

- (a) All of the provisions of this act relating to county taxes shall also, without specific reference thereto, relate and apply to county institution district taxes, except in counties of the second class.
- (b) All of the provisions of this act shall apply to all taxes covered by the provisions of this act heretofore levied and remaining uncollected, as well as to all such taxes hereafter levied.
- (c) (1) Except as provided in clause (2), none of the provisions of this act shall apply to any county of the first or second class, city of the first or second class or second class A, or to any school district of the first class, or school district in a city of the second class A.
(2) The provisions of sections 10 and 11 of this act shall apply to cities of the second class A.
- ((c) amended Dec. 13, 1982, P.L.1201, No.275)
- (d) The provisions of this act shall not repeal or supply any local or special act.
- (e) This act does not include, and shall not be construed to repeal, any provisions of any law providing for the return of uncollected taxes to the county commissioners and the sale of real property bound thereby by the county treasurer or by a city treasurer nor to the entry and enforcement of liens for unpaid taxes.

Section 4. Bonds of Tax Collectors.--

- (a) In cities of the third class and in townships of the first class the treasurer, as tax collector for the various taxing districts, shall give bond secured and conditioned as provided by the laws relating to such cities and townships. The board of commissioners of any county by resolution adopted no later than November 1 of the prior year may authorize and require for the following year the joint bidding by the board of commissioners of bonds for all tax collectors for the county and for townships of the first class. Cities of the third class may join in joint bidding with other municipalities for bonds of tax collectors. The joint bidding of the bonds shall be subject to all provisions of this act not inconsistent with the requirement of joint bidding. ((a) amended Dec. 1, 1977, P.L.247, No.82)
- (b) In boroughs, towns and townships of the second class, the elected tax collector shall be the collector of borough, town or township taxes, as the case may be, and of county, county institution district, school district and vocational school district taxes. He shall, before he enters upon the duties of his office, take and subscribe an oath of office and file the same in the office of the clerk of the court of common pleas of the county. He shall enter into one surety bond to the Commonwealth for all taxes to be collected by him, in an amount to be fixed by the court of common pleas of the county, which amount shall never exceed the estimated amount of taxes charged in the duplicates to be delivered to him in one year. Such bond may, at the option of the tax collector, be an annual bond or may cover the full term of office for which the tax collector shall have been elected. Such bond shall have thereon at least one bonding company, and the sufficiency of the sureties on the bond shall be approved by the court of common pleas at any time prior to the delivery of a tax duplicate to the tax collector. The bond shall be filed in the office of the clerk of the court of common pleas on or before the fifteenth day of March of the year in which the tax collector qualifies for office and annually thereafter, except where the first bond given by the tax collector covers the full term of office for which he was elected. Should any of the taxing districts be of the opinion, at any time, that the bond given by the tax collector is not sufficient in amount, or as to the surety thereon, the said taxing district may apply to the court by petition to have the tax collector furnish additional bond in the manner provided by this section. Thereupon the tax collector shall furnish such additional bond, if any, as the court of common pleas may prescribe, but not exceeding the limitation as to the amount hereinbefore prescribed: Provided, That where taxes for borough purposes are collected by an appointee of council the bond shall be as may be prescribed by council. The board of commissioners of any county by resolution adopted no later than November 1 of the prior year may authorize and require for the following year the joint bidding by the board of commissioners of bonds for all tax collectors for the county and for boroughs, incorporated towns and townships of the second class, and school districts and vocational school districts within the county. The joint bidding of the bonds shall be subject to all provisions of this act not inconsistent with the requirement of joint bidding. ((b) amended Dec. 1, 1977, P.L.247, No.82)
- (b.1) In boroughs, towns and townships of the second class, and after the thirty-first day of December, one thousand nine hundred fifty-three, in townships of the first class, the premium on the bond shall be paid by the respective taxing districts. Each taxing district shall be liable to pay that percentage of the bond premium as the total taxes charged in the duplicate of the taxing district bears to the total taxes charged in the duplicate of all of the taxing districts. In any case where a tax collector is required to furnish additional bond the premium on such additional bond shall be paid by the taxing district which petitioned the court for the additional bond. Prior to the first day of January, one thousand nine hundred fifty-four, where the surety on a tax collector's bond in a township of the first class is a bonding company, any taxing district may pay its percentage of the bond premium as above provided. ((b.1) amended July 13, 1953, P.L.411, No.90)
- (c) In boroughs, towns and townships of the second class, the condition of the bond shall be that the collector as tax collector for the borough, town or township, as the case may be, and for the county, the

county institution district, school district and vocational school district shall account for and pay over all taxes, penalties and interest received and collected by him to the taxing districts entitled thereto. ((c) amended May 22, 1953, P.L.213, No.24)

- (d) The tax collector of boroughs, towns and townships of the second class and his sureties shall be discharged from further liability on his bond for the taxes charged in a duplicate delivered to him as soon as all tax items contained in the said duplicate are either--(1) collected and paid over to the proper taxing district; or (2) certified to the taxing authority for entry as liens in the office of the prothonotary; or (3) returned to the county commissioners for sale of the real estate by the county treasurer; or (4) in the case of occupation, poll and per capita and personal property taxes accounted for by the payment over, or by exoneration, which shall be granted by the taxing district upon oath or affirmation by the tax collector that he has complied with section twenty of this act: Provided, however, That the tax collector and his sureties shall not be discharged of their liability under the provisions of this subsection if the tax collector has in fact collected such taxes but has failed to pay the same over to the proper taxing district. ((d) amended May 9, 1949, P.L.973, No.277)
- (e) The bond given by a borough, town or township tax collector shall be for the use of the borough, town or township, as the case may be, and for the county, the county institution district, school district and vocational school district. ((e) amended May 22, 1953, P.L.213, No.24)
- (f) In case where a tax collector shall be appointed in a borough, town or township of the second class to fill a vacancy in said office, or where the elected tax collector shall have failed to qualify, or to furnish bond, or where a tax collector shall have failed to settle a duplicate, as provided in section thirty-one of this act, the person appointed in accordance with existing laws, including an individual, corporation or the county treasurer to collect such taxes, shall give bond secured and conditioned as above provided; where a township of the second class or a school district shall in such cases exercise its power to appoint a separate tax collector to collect its taxes, such appointee shall give bond secured and conditioned as above provided.
- (g) The bond of any county treasurer in counties of the third, fourth, fifth, sixth, seventh and eighth class shall be fixed by the county commissioners. The premium on any such bond shall be paid by the county. The condition of the bond shall be that the county treasurer, as collector of taxes for the county and county institution district as provided for in section 2, shall account for and pay over all taxes, penalties and interest received and collected by him to the county and county institution district. The county treasurer in third, fourth, fifth, sixth, seventh and eighth class counties and his sureties shall be discharged from further liability on his bond for the taxes charged in a duplicate delivered to him as soon as all tax items contained in the said duplicate are either (1) collected and paid over to the county, or (2) certified to the county commissioners for entry as liens in the office of the prothonotary or as claims in the tax claim bureau as the case may be, or (3) returned to the county commissioners for sale of the real estate by the county treasurer, or (4) in the case of occupation, poll and per capita and personal property taxes accounted for by the payment over or by exoneration which shall be granted by the county commissioners, upon oath or affirmation by the county treasurer that he has complied with section twenty of this act: Provided, That the county treasurer in third, fourth, fifth, sixth, seventh and eighth class counties and his sureties shall not be discharged of their liability under the provisions of this subsection if the county treasurer has in fact collected such taxes but has failed to pay the same over to the county. The bond given by a county treasurer in third, fourth, fifth, sixth, seventh and eighth class counties shall be for the use of the county and county institution district. ((g) amended Dec. 13, 1982, P.L.1201, No.275)
- (h) Notwithstanding any other act to the contrary, joint bidding of bonds of tax collectors shall be subject to the requirements of counties for advertising of bids for contracts or purchases, except that the provisions relating to minimum amount of expenditure shall not apply. ((h) added Dec. 1, 1977, P.L.247, No.82)

Section 4.1. Basic and Continuing Education Programs for Tax Collectors.--

- (a) The department, in consultation with the Pennsylvania State Tax Collectors' Association, shall adopt and implement programs of basic training, examination and qualification of tax collectors and of continuing education to be met by persons qualified as tax collectors as condition for renewal. The department may contract with a third party to provide the basic training, examination, qualification and continuing education.
- (a.1) (1) The basic training program shall include, but not be limited to, the following courses:
- (i) Procedures for collecting taxes.
 - (ii) This act and other statutes related to the imposition and collection of taxes.
 - (iii) Auditing.
 - (iv) Accounting.
 - (v) Ethics.
 - (vi) Computerization.
 - (vii) Recent court decisions affecting the imposition and collection of taxes.
- (2) As a prerequisite to taking a qualification examination, the individual shall complete the basic training program authorized by the department.
- (3) (i) An individual shall have the option to sit for any qualification examination relating to the basic education program.
- (ii) No individual shall obtain qualification unless that individual has passed a basic qualification examination.
 - (iii) An individual who passes the basic qualification examination shall be known as a qualified tax collector.
- (a.2) The department shall:
- (1) Make certain a qualified tax collector certificate is issued to an individual who passes the basic qualification examination. The certificate shall expire one year from the date of issuance but may be renewed for subsequent consecutive years upon the completion of mandatory continuing education in accordance with subsection (b).
 - (2) Maintain a register that lists all qualified tax collectors. The register shall be open to public inspection and copying upon payment of a nominal fee.
 - (3) Provide once each year a list of all qualified tax collectors on the department's World Wide Web site.
 - (4) Determine and approve reasonable fees for the training program and for testing and qualification. The individual shall bear the cost of the program, testing and qualification unless the political subdivision agrees to pay for the cost in whole or in part. ((a.2) amended July 7, 2006, P.L.374, No.80)
- (a.3) It shall be unlawful on or after the effective date of this subsection for any individual to hold himself out as being qualified in training under this section unless the individual holds a current, valid certificate.
- (a.4) Nothing in this section shall prevent any individual from participating in the department's basic training program and obtaining qualification.

- (b) Each qualified tax collector shall be required to obtain six hours of mandatory continuing education during each year of his term of office.((b) amended July 7, 2006, P.L.374, No.80)
- (c) The topics for continuing education shall include, but not be limited to, the following:
 - (1) Accounting.
 - (2) Auditing.
 - (3) Computerization.
 - (4) Ethics.
 - (5) Procedures for collecting taxes.
 - (6) Recent court decisions affecting the imposition and collection of taxes.
 - (7) The local tax collection laws and other statutes related to the imposition and collection of taxes.
- (d) The department shall inform qualified tax collectors of the continuing education requirement upon issuance of certificates.
- (e) Renewal of qualification shall be on an annual basis upon completion of continuing education requirements as set forth in this section. The collectors shall bear the cost of the program and qualification unless the political subdivision agrees to pay for the cost in whole or in part.
- (f) A record of all qualified tax collectors shall be kept by the department and shall be open to public inspection and copying upon payment of a nominal fee.
- (g) This section shall not apply to a person who has served eight or more terms as a tax collector.
- (h) The following words and phrases when used in this section shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Department" shall mean the Department of Community and Economic Development of the Commonwealth.

"Qualified tax collector" shall mean a person who holds a current valid certificate of qualification issued by the Department of Community and Economic Development.

"Tax collector" shall mean a person duly elected or appointed to collect real property taxes levied by a political subdivision, other than a county, including the following:

- (1) A tax collector in a borough, incorporated town or township of the second class.
- (2) A treasurer of a city of the third class or a township of the first class in that person's capacity as tax collector.
- (3) An employe or official who has been designated to collect real property taxes in a municipality, other than a county, existing or organized under 53 Pa.C.S. Pt. III Subpt. E (relating to home rule and optional plan government), which municipality has eliminated the elective office of tax collector.

(4.1 amended June 22, 2001, P.L.377, No.25)

Section 4.2. Joint Tax Collection District.--

- (a) Notwithstanding any other law to the contrary, where a vacancy exists in the office of tax collector in a taxing district, the governing body of the taxing district may, by ordinance or resolution, enter into an agreement with the governing body of an adjoining or conveniently located taxing district for the joint collection of taxes under this act. Two or more taxing districts may enter into an agreement under this section.

- (b) The tax collector in the adjoining or conveniently located taxing district must agree to serve as the tax collector for the joint tax collection district for the remainder of the person's term before an agreement under subsection (a) is implemented. If the tax collector agrees to collect taxes in the joint tax collection district, notice of the agreement and a copy of the ordinance or resolution adopted under this section shall be provided to the county board of elections. Following the expiration of the term of office of a person agreeing to collect taxes under this subsection, a person shall be elected as tax collector by the electors of the joint tax collection district.
- (c) A taxing district that is a party to an agreement under this section may withdraw from the joint tax collection district by providing notice of its intention to withdraw to the other parties to the agreement and to the county board of elections. To be effective, notice must be received before the end of the calendar year preceding the next election for tax collector in the joint tax collection district.
- (d) An ordinance or resolution adopted by the governing body of a taxing district under this section shall specify:
 - (1) The conditions of agreement.
 - (2) The duration of the term of the agreement.
 - (3) The purpose and objectives of the agreement, including the powers and scope of authority delegated under the agreement.
- (e) Court approval shall not be required for taxing districts to enter into an agreement under this section.

(4.2 added Mar. 22, 2002, P.L.200, No. 14)

Section 4.3. Tax Collection Records.--

- (a) A tax collector during the time that he or she holds the office of tax collector shall maintain and have legal custody of tax collection records that are not in the custody of a taxing district.
- (b) Nothing in this section shall prevent a person who formerly held the office of tax collector from maintaining copies of tax collection records that may be necessary for purposes of any subsequent audit, tax certification or other required service or for defending against claims for liability that may be made against the former tax collector. Unless a court, upon a rule to show cause, shall extend the time, copies of tax collection records shall not be retained by a person who formerly held the office of tax collector or his representative for more than five years from the completion of the final audit for the last year in which the person who formerly held the office of tax collector was responsible for the collection of taxes. All copies of tax collection records held by the former tax collector or his representative shall be returned to the taxing district within the time period provided in this subsection.
- (c) This section shall not be construed to do any of the following:
 - (1) Make a tax collector an "agency" or authorize requests of the tax collector for records pursuant to the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.
 - (2) Alter or amend any law concerning the confidentiality of tax collection records.
- (d) No person who formerly held the office of tax collector shall intentionally and unlawfully deny legal custody or otherwise impair the availability of tax collection records by refusing to transfer possession of the records to a taxing district or its tax collector.
- (e) As used in this section, the term "tax collection records" shall mean records to which access is required by a tax collector in order to carry out the duties under this act and which are among the categories of tax collection records that are to be maintained in conformity with disposition and retention schedules and regulations that are promulgated by the Local Government Records Committee in accordance with 53 Pa.C.S. Ch. 13 Subch. F (relating to records).

(4.3 added July 7, 2006, P.L.374, No.80)

Section 5. Tax Collector's Warrant.--

A duplicate when issued to a tax collector shall constitute his warrant for the collection of the taxes levied and assessed therein, and such warrant shall remain in force until the complete settlement of all taxes in such duplicate as provided in this act. This section shall be construed to apply to duplicates heretofore issued.

Section 5.1. Interim Assessment; Duplicate; Warrant.--

- (a) When a duplicate is issued after an interim assessment, it shall constitute the elected tax collector's warrant for the collection of the taxes levied and assessed therein.
- (b) Notwithstanding the complete and final settlement to be completed in accordance with section 26, the following shall apply to taxes due upon a duplicate issued after an interim assessment:
 - (1) If the whole amount is paid within two months after the date of the tax notice, a discount of at least two per centum from the amount of such tax shall apply.
 - (2) If paid within four months after the date of the tax notice, no penalty may be imposed and said taxes shall not be considered delinquent even if the payment occurs after December 31.
 - (3) If, as of December 31, taxes remain unpaid and less than four months have elapsed since the date of the tax notice, the taxing district shall reissue the duplicate to the elected tax collector in order to permit the taxpayer four months from the date of the tax notice to pay said taxes before either a penalty is imposed or a delinquency is declared.

(5.1 added Dec. 20, 2000, P.L.735, No.104)

Section 6. Notices of Taxes.--

When any duplicate of taxes assessed is issued and delivered by any taxing district to the tax collector, he shall within thirty days after receiving the tax duplicate, unless such time shall be extended by the taxing district, notify every taxable whose name appears on such duplicate: Provided, however, That a tax notice shall be sent to every taxable whose name appears on the duplicate not later than the first day of July following receipt of the tax duplicate, or not later than fifteen days after the duplicate of taxes assessed is issued and delivered by the taxing district to the tax collector if such delivery is after the sixteenth day of June: And provided further, That municipalities that have adopted a home rule charter under the act of April 13, 1972 (P.L.184, No.62), known as the "Home Rule Charter and Optional Plans Law," may establish a different date for the sending of tax notices to taxables. Such notice shall contain--

- (1) the date of the tax notice;
- (2) the rate or rates of taxation;
- (3) the valuation and identification of the real property of such taxpayer;
- (4) the occupation valuation of such taxpayer, if any;
- (5) the several amounts of real and personal property and personal taxes for which said taxpayer is liable for the current year;
- (6) the total amount of said taxes;
- (7) a statement that such taxes are due and payable; and
- (8) a request for payment thereof.

A separate notice shall be issued for each parcel of real property of a taxable. Personal property and personal taxes may be included on any one of such tax notices. Such notice shall further designate a place and time where the taxes shall be paid and state the time during which an abatement of tax will be allowed, when full

amount of tax will be collected, and when an additional percentage will be added as a penalty. Such notice shall be mailed or delivered to the last known post office address of each of said taxables. Any such notice may include information as to taxes levied by two or more taxing districts.

The Department of Community Affairs shall prepare a uniform form of tax notice and supply specimen copies thereof to the county commissioners of the several counties for distribution to tax collectors.

(6 amended June 26, 1995, P.L.61, No.11)

Compiler's Note: The Department of Community Affairs, referred to in this section, was abolished by Act 58 of 1996 and its functions were transferred to the Department of Community and Economic Development.

Section 7. Effect of Failure to Receive Tax Notice.--

Failure to receive notice shall not relieve any taxpayer from the payment of any taxes imposed by any taxing district, and such taxpayer shall be charged with his taxes as though he had received notice.

Section 8. Affidavit as to Notice.--

Before any allowance is made by any taxing district, or by the auditing authority thereof, for commissions due the tax collector, he shall make an affidavit setting forth that he has complied with the provisions of this act in respect to notice to taxpayers.

Section 9. Expenses Paid by Taxing Districts.--

The expenses of postage and printing of any notice required by this act shall be paid by the taxing districts.

(9 amended July 7, 2006, P.L.374, No.80)

Section 10. Discounts; Penalties; Notice.--

- (a) The rates of discounts and penalties on taxes shall be established by the taxing district. All taxpayers subject to the payment of taxes, assessed by any taxing district, shall be entitled to a discount of at least two per centum from the amount of such tax upon making payment of the whole amount thereof within two months after the date of the tax notice. All taxpayers, who shall fail to make payment of any such taxes charged against them for four months after the date of the tax notice, shall be charged a penalty of up to ten per centum which penalty shall be added to the taxes by the tax collector and be collected by him. The provisions of this section shall apply to cities of the second class A.
- (b) If a taxpayer has not paid taxes on real estate within four months after the date of the tax notice, the tax collector shall send by first class mail the following notice in bold print capital letters to the taxpayer:

YOUR REAL ESTATE TAXES HAVE NOT BEEN PAID ON TIME, AND A PENALTY HAS BEEN ADDED TO THE AMOUNT YOU OWE. IF NOT PAID BY DECEMBER 31, YOUR REAL ESTATE TAXES WILL BE DELINQUENT. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT (NAME OF TAX COLLECTOR) BY MAIL AT (ADDRESS) OR BY TELEPHONE AT (TELEPHONE NUMBER). IF YOUR REAL ESTATE TAXES ARE TO BE PAID FROM AN ESCROW ACCOUNT ESTABLISHED IN CONNECTION WITH YOUR MORTGAGE, YOU SHOULD CONTACT THE COMPANY MANAGING YOUR ESCROW ACCOUNT.
- (c) Failure to receive notice as required by subsection (b) shall not relieve any taxpayer from the payment of any taxes imposed by any taxing district.
- (d) For purposes of determining if payment is timely made in order either to qualify for a discount or to avoid a penalty, the following shall apply:

- (1) Whenever the last day of a period during which payment may be made at a discount or without penalty shall fall on Saturday or Sunday or on any day made a legal holiday by the laws of this Commonwealth or of the United States, payment shall be considered timely if it is tendered or postmarked by the United States Postal Service on the succeeding secular or business day.
- (2) A tax collector shall not refuse to accept payment tendered or postmarked by the United States Postal Service in a timely manner pursuant to this subsection.
- (e) A tax collector shall not refuse to accept payment tendered or postmarked by the United States Postal Service by December 31, but nothing in this section shall be construed as limiting the authority of a tax collector to set a date, not earlier than December 15, after which personal checks will no longer be accepted for payment of taxes and penalty.

(10 amended July 7, 2006, P.L.374, No.80)

Section 11. Installment Payment of Taxes.--

- (a) Any taxing district shall have power to provide by ordinance or resolution for the collection and payment of its taxes in not more than four installments. Where payment of taxes is made on the installment basis, no abatement or discount shall be allowed on said taxes.
- (b) (1) Any such ordinance or resolution shall set forth the number of installments in which taxes shall be paid and the dates when the respective installments become due and delinquent. Notwithstanding the complete and final settlement made in accordance with section 26, a taxing district may set installment payment dates subsequent to December 31. The unpaid installments shall not be considered delinquent if paid on or before the respective installment dates established by ordinance or resolution of the taxing district. To each installment on the date when it becomes delinquent, a penalty of up to ten per centum shall be added, which shall be collected by the tax collector. No further penalties, except as hereinafter provided, shall be added to any installment of taxes, unless one or more installments remain unpaid, and the lands upon which such installments are due are returned under existing laws to the county commissioners for nonpayment of taxes, or in case a lien for such unpaid installment or installments is filed under existing laws in the office of the prothonotary, in which case, the additional penalty or interest provided for by such existing return and lien laws shall apply.
- (2) If a taxing district has set installment payment dates subsequent to December 31, the following shall apply:
 - (i) Installment payments subsequent to December 31 of the year in which the taxes are levied shall be collected by the elected tax collector.
 - (ii) The elected tax collector shall, upon the certification over to him of installments remaining unpaid, proceed to collect the same from the persons respectively charged therewith, for which purpose he shall have all the authority and power now vested by law in any tax collector for the collection of such taxes. The taxing district issuing the original warrants shall issue an additional warrant to the collector of installment payments.
 - (iii) Installments to be made on or before December 31 of the year in which taxes are levied shall be collected by the elected tax collector. The elected tax collector shall be allowed a credit for the total amount of all uncollected, nonlienable installments not required to be paid by December 31, and this amount shall be identified and carried forward on the reporting form prepared by the Department of Community and Economic Development in accordance with this act as nonlienable installments to be collected by the installment collector.
 - (iv) The elected tax collector shall be paid such commissions or compensation at the same rate on installment payments as is paid for the collection of taxes generally. Such commissions

or compensation shall be paid by proper orders drawn on the taxing district. Every elected tax collector shall be responsible and accountable to the taxing district for all such taxes collected by the tax collector, and the final accounts and records, returns and payments, and duplicates shall be audited annually in the year in which the installments are collected in like manner and in accordance with the laws pertaining to tax collections.

- (c) (1) The payment of the first installment by a taxpayer before the same becomes delinquent shall conclusively evidence an intention to pay his taxes on the installment plan, as provided by said ordinance or resolution.
- (2) If installment payments are permitted subsequent to December 31 of the year in which taxes are levied, a taxpayer shall evidence his intention to make installment payments of taxes after December 31 either by the timely payment to the tax collector of a first installment before December 31 or, if the first payment is not due before December 31, by notifying the elected tax collector in writing of his intention to make installment payments.
- (d) Where a taxpayer shall fail to evidence an intention to pay on the installment plan, as hereinbefore provided, his taxes shall become due and payable and be collected as elsewhere provided in this act, subject to the discounts and penalties provided thereby.
- (e) The provisions of this section shall apply to cities of the second class A.

(11 amended Dec. 20, 2000, P.L.735, No.104)

Section 12. Payment of Taxes by Joint-Tenants, etc.--

Any joint tenant, tenant in common, or coparcener of real property shall have the right to pay his proportionate part of the amount of taxes due thereon. It shall be the duty of the tax collector to receive and receipt for the same. The interest of any such joint tenant, tenant in common, or coparcener, shall not be affected by any proceeding or sale to enforce payment of taxes on the other interests in said land.

Section 13. Collectors Required to Be in Attendance.--

The tax collector shall in person, or by some person duly authorized, be in attendance for the purpose of receiving and receipting for taxes on at least three days of each week during the last two weeks of the period or periods during which discounts are allowed, at his residence or some other appropriate place, to be designated by him in the tax notice.

Section 14. Tax Receipts.--

The tax collectors shall furnish each person on the payment of taxes from a book containing a stub, or from a bill containing a stub, or carbon copy to be furnished at the expense of the taxing district or districts, a numbered receipt setting out the date of payment, name of taxpayer, the district in which the taxpayer is assessed, the amount of real and personal property and personal taxes paid, stated separately, and in the case of taxes on real property, identifying the property. A separate receipt shall be issued for each parcel of real property. On the stub or bill a memorandum shall be made, in ink, of the number of the receipt and giving the same information as was given in the receipt.

Where payment of taxes is made by mail, a receipt shall be required to be furnished only if the taxpayer shall enclose with the payment a self-addressed and stamped envelope for the return of the receipt.

The Department of Community Affairs shall prepare a uniform form of tax receipt and supply specimen copies thereof to the county commissioners of the several counties for distribution to tax collectors.

(14 amended Feb. 2, 1966, 1965 P.L.1903, No.606)

Compiler's Note: The Department of Community Affairs, referred to in this section, was abolished by Act 58 of 1996 and its functions were transferred to the Department of Community and Economic Development.

Section 15. Receiving County Taxes Not Assessed and Adding Names to Duplicates Prohibited.--

It shall not be lawful for any county treasurer, county commissioner or any tax collector, nor for any other person, on his or their behalf, to receive payment or give any receipt for the payment of any taxes that have not been duly assessed and returns of said assessment made according to law, nor shall any such treasurer, commissioner or tax collector, or other person on his or their behalf, receive payment or give any receipt for the payment of any taxes from the collection of which the tax collector has been exonerated according to law. But where the tax collector has been so exonerated, such taxes shall remain payable to the taxing district. Except as hereinafter otherwise provided, it shall not be lawful for any county commissioner, or for any other person on his behalf, to add any name to the duplicate return or list of taxables made or furnished by the assessor or assistant assessors of any township, ward or district.

Section 16. Adding Names to Duplicates.--

In case the tax collector or a deputy tax collector shall at any time find, within the taxing district, any resident or inhabitant above the age of eighteen years whose name does not appear upon the duplicate of such taxing district, he shall report the name of such person forthwith to the assessor who made the assessment used by the taxing district.

The assessor shall thereupon promptly certify the said name to the taxing district which made the assessment, which shall then promptly certify such name to the tax collector reporting such name. If the taxing authorities of any taxing district shall at any time find, within the district, any resident or inhabitant above the age of eighteen years whose name does not appear upon the duplicate of the taxing district, it may, by resolution, determine that the name of such person belongs on the tax assessment list and on the tax duplicate and certify the same to the tax collector with direction to collect the proper taxes from such person for the current year and for the preceding year or the two preceding years, if he was liable for such taxes under existing law. The taxing authorities shall at the same time certify such name to the county board for the assessment and revision of taxes or other authority charged with the duty of making the assessment used by the taxing district.

Upon receiving any name as aforesaid, the tax collector shall add the name and assessment of such person to the duplicate of the proper taxing district and proceed to collect the tax or taxes assessed against such person as herein provided.

(16 amended June 16, 1972, P.L.445, No.136)

Section 17. Distress and Sale of Goods and Chattels of Taxpayer.--

Every tax collector shall have power, in case of the neglect or refusal of any person, copartnership, association, or corporation, to make payment of the amount of any tax due by him, after two months from the date of the tax notice, to levy the amount of such tax, any penalty due thereon, and costs, not exceeding costs and charges allowed constables for similar services, by distress and sale of the goods and chattels of such delinquent, wherever situate or found, provided the distraint levy includes written notice thereon that, within ten days after the date of the levy, the alleged delinquent may appear at the office of the district magistrate in the district in which the goods and chattels are located and demand a hearing on the merits of the claim and also upon giving public notice of such sale, at least twenty days after the date of the levy or at least ten days after any hearing on the merits in which the alleged delinquent is adjudged delinquent, by posting ten written or printed notices, and by one advertisement in a newspaper of general circulation published in the county.

No failure to demand or collect any taxes by distress and sale of goods and chattels shall invalidate any return made, or lien filed for nonpayment of taxes, or any tax sale for the collection of taxes.

(17 amended Feb. 1, 1974, P.L.29, No.11)

Section 18. Collection of Taxes from Occupants of Real Estate by Distress.--

Any person occupying real property shall be liable to pay all the taxes levied, becoming due and payable thereon, and the goods and chattels belonging to such person, or belonging to any other and found on the

premises, shall be liable to distress and sale for the nonpayment of any taxes assessed upon such real property, during his possession and occupancy, and remaining unpaid, in like manner, as if they were the goods and chattels of the owner of such real property, and having so paid such taxes or any part thereof, the occupant of such real property may by action of debt, or otherwise, recover said taxes from his landlord, or person liable therefor, or at his election, may defalcate the amount thereof in the payment of the rent due his landlord.

Section 19. Collection of Tax on Real Property Out of Rent Payable by Tenant.--

In case any person who is the owner of real estate neglects or refuses to pay any tax levied against such real property, the tax collector of such taxes may any time thereafter notify in writing the tenant in possession of any such real property, that the owner thereof has failed to pay such tax, and request the payment of such tax together with any penalties and interest due thereon by such tenant out of any rent money then due and owing, or thereafter to become due and owing to such delinquent taxpayer. Upon receipt of such notice from the tax collector, the tenant in possession of any such real property shall deduct from any rent that is then, or may thereafter become due and owing to such delinquent owner, the amount of such delinquent tax and the penalties and interest due thereon, and pay the same over to the collector of such taxes. The proper receipt for such taxes and penalties and interest, if any, paid to the tax collector by any tenant shall be a good and sufficient voucher to offset any claim that such delinquent taxpayer may have against such tenant for any rent to the amount thereof.

Section 20. Collection of Per Capita, Poll and Occupation Taxes from Employers, etc.--

The tax collector shall demand, receive and collect from all corporations, political subdivisions, associations, companies, firms or individuals, employing persons owing per capita, poll or occupation taxes, or having in possession unpaid commissions or earnings belonging to any person or persons owing per capita, poll or occupation taxes, upon the presentation of a written notice and demand containing the name of the taxable and the amount of tax due. Upon the presentation of such written notice and demand, it shall be the duty of any such corporation, political subdivision, association, company, firm or individual to deduct from the wages, commissions or earnings of such individual employes, then owing or that shall within sixty days thereafter become due, or from any unpaid commissions or earnings of any such taxable in its or his possession, or that shall within sixty days thereafter come into its or his possession, a sum sufficient to pay the respective amount of the per capita, poll or occupation taxes, and costs, shown upon the written notice or demand, and to pay the same to the tax collector of the taxing district in which such delinquent tax was levied within sixty days after such notice shall have been given; such corporation, political subdivision, association, firm or individual shall be entitled to deduct from the moneys collected from each employe the costs incurred from the extra bookkeeping necessary to record such transactions, not exceeding two per centum of the amount of money so collected and paid over to the tax collector. Upon the failure of any such corporation, political subdivision, association, company, firm or individual to deduct the amount of such taxes or to pay the same over to the tax collector, less the cost of bookkeeping involved in such transaction, as herein provided, within the time hereby required, such corporation, political subdivision, association, company, firm or individual shall forfeit and pay the amount of such tax for each such taxable whose taxes are not withheld and paid over, or that are withheld and not paid over together with a penalty of ten per centum added thereto, to be recovered by an action of assumpsit in a suit to be instituted by the tax collector, or by the proper authorities of the taxing district, as debts of like amount are now by law recoverable, except that such persons shall not have the benefit of any stay of execution or exemption law. The tax collector shall not proceed against a spouse or his employer until he has pursued collection remedies against the delinquent taxpayer and his employer under this section.

(20 amended Oct. 4, 1978, P.L.928, No.176)

Section 20.1. Collection of Per Capita and Occupation Taxes from the Commonwealth.--

Upon presentation of a written notice and demand to the State Treasurer or any other fiscal officer of the State, or its boards, authorities, agencies or commissions, it shall be the duty of the Treasurer or officer to deduct from the wages then owing, or that shall within sixty days thereafter become due to any employe, a sum

sufficient to pay the respective amount of the per capita or occupation taxes and costs shown on the written notice. The same shall be paid to the tax collector of the taxing district in which said delinquent tax was levied within sixty days after such notice shall have been given.

(20.1 added July 30, 1963, P.L.343, No.185)

Section 21. Collection of Taxes by Suit.--

- (a) A tax collector may institute a suit in assumpsit against a delinquent taxable for the collection of any real property taxes due and unpaid after the fifteenth day of May of the year following the year for which the taxes were levied and assessed if--(1) the property against which such taxes were levied has not been returned to the county commissioners; and (2) such taxes have not been certified for entry of liens; and (3) such taxes are not held in the custody of a court as herein provided. Execution may be had upon any such judgment recovered without any stay or benefit of any exemption law.
- (b) In addition to all other remedies provided by this act, each taxing district shall have power to collect unpaid taxes from the persons owing such taxes by suit in assumpsit or other appropriate remedy. To each judgment obtained for such taxes there shall be added a penalty of ten per centum together with costs of suit. Upon each such judgment, execution may be issued without any stay or benefit of any exemption law. The right of each such taxing district to collect unpaid taxes under the provisions of this subsection shall not be affected by the fact that such taxes have been entered as liens in the office of the prothonotary, or the fact that the property against which they were levied has been returned to the county commissioners for taxes for prior years.
- (c) In addition to the fine or imprisonment provided by subsection (b) of section 7.1, act of June 26, 1931 (P.L.1379), any person violating subsection (a) of section 7.1 of said act shall be liable in a civil action or actions to any tax collector or taxing district in an amount equal to the taxes that said district would have imposed upon such property during the time it was erroneously listed as exempt, together with interest at the rate of six per centum per annum. In case of a dispute as to the assessment that would have applied from time to time, the same shall be determined by the court without proceedings by the board. ((c) added Nov. 22, 1967, P.L.536, No.261)

Section 22. Deputy Tax Collectors.--

A tax collector may, with the approval of a taxing district and his surety, depute in writing one or more deputy tax collectors, who, when so deputized, shall be authorized to receive and collect any or all of the taxes in like manner and with like authority as the tax collector appointing them. Any tax collector, appointing any deputy collector, shall be responsible for and account to the taxing district for all taxes received or collected by his deputy.

Section 23. Collection of Unseated Land Tax in Certain Counties.--

All taxes on unseated lands, except in counties of the seventh and eighth classes, shall be collected in the same manner and at the same time, as provided by this act, for the collection of taxes on seated lands.

Section 24. Collection of Unseated Land Taxes in Seventh and Eighth Class Counties.--

- (a) In counties of the seventh and eighth classes, taxes charged upon unseated lands shall be certified and returned by the several taxing districts levying the same to the county commissioners on or before April first of each year.

The county commissioners shall certify such returns to the county treasurer, whose duty it shall be to receive the taxes contained in such returns.

- (b) All taxes levied upon unseated lands shall be paid to the county treasurer by the owner or owners of such unseated lands within the year for which the same are levied. In case of the refusal or failure of any owner or owners of such unseated lands to pay the taxes so levied within the year for which the same are levied and collectible, then interest at the rate of six per centum per annum shall be charged

upon the amount of said taxes, or any part thereof, remaining due and unpaid from and after the first day of the year following that for which said taxes were levied, until the same has been paid in full, or the land sold as provided by law for the sale of unseated lands.

- (c) When taxes upon unseated lands are paid to a county treasurer by the owners or claimants of said lands, it shall be the duty of the county treasurer to enter such payments upon the proper book kept by him for the purpose, and if requested, by the person paying such taxes, give a certified copy under the official seal of said county treasurer of the entries in such book, specifying the name of the person or persons as whose property such lands are taxed, the location of such lands, the number of the warrant, and the number of acres or other description thereof, the kind and amount of taxes assessed thereon and so paid, the date of payment of the same, and the name of the person or persons paying the said taxes and for whose use the same are paid. The county treasurer shall be entitled to receive therefor from the person demanding the receipt or certified copy the sum of twenty-five cents.
- (d) It shall be the duty of the county treasurer on receiving the said taxes, or any part thereof, and not before, to pay over the amount thereof to the taxing districts, who shall respectively be entitled to the same.

Section 25. Collection and Payment Over of Taxes.--

The tax collector shall keep a correct account of all moneys collected by him as taxes under the authority of any duplicate or duplicates in his possession. He shall mark "paid" on each duplicate, at the name of each taxable, the amount of taxes paid and the date on which payment was made.

The tax collector shall on or before the tenth day of each month, or more frequently if required by ordinance or resolution of the taxing district, provide a true, verified statement, in writing on a form approved by the Department of Community and Economic Development, to the secretary or clerk of the taxing district or, in the case of cities of the third class, to the director of accounts and finance for all taxes collected for such taxing district during the previous month or period, giving the names of taxables, the amount collected from each, along with discounts granted or penalties applied, if any, and the total amount of taxes received, discounts granted and penalties applied. The tax collector shall include with each statement made under this section a reconciled monthly tax collector's report for each type of tax collected for each taxing district. The report shall be reconciled from the tax duplicates to the amount of taxes remaining to be collected. A taxing district may require the elected tax collector to provide it with additional information supplementing that set forth on the form approved by the Department of Community and Economic Development.

If a tax collector does not provide the statement, including the reconciled reports, within the prescribed period, the taxing district may impose a late filing fee in accordance with this section. Such fee shall not exceed twenty dollars for each day or part of a day, excluding Saturdays, Sundays and holidays, for the first six days that a statement with reconciled reports is overdue, and such fee shall not exceed ten dollars for each day or part of a day, excluding Saturdays, Sundays and holidays, for each day after such sixth day that a statement with reconciled reports is overdue. The maximum fee payable with respect to a single statement with reconciled reports shall not exceed two hundred fifty dollars. If a taxing district determines that there is a reasonable cause for failure to timely file the statement with reconciled reports under this section, the taxing district may waive the late filing fees. A taxing district shall receive an overdue statement with reconciled reports even if any late filing fee due has not been paid, but the statement with reconciled reports shall not be considered filed until all fees have been paid. No further late filing fees shall be incurred, notwithstanding the fact that the statement with reconciled reports is not considered filed.

The collector shall pay over on or before the tenth day of each month, or more often if required by ordinance or resolution of the taxing district, to the treasurer of the taxing district all moneys collected as taxes during the previous month or period and take his receipt for the same.

The tax collector shall, at any time on demand of any taxing district, exhibit any duplicate in his possession showing the uncollected taxes as of any date.

(25 amended Dec. 20, 2000, P.L.735, No.104)

Section 26. Settlement of Duplicates; Audit.--

- (a) By January fifteenth, the tax collector shall make a final and complete settlement of all taxes for the prior calendar year with the proper authority of the taxing district. In the settlement of such taxes, the tax collector shall be allowed a credit for the following:
- (1) for all taxes collected and paid over;
 - (2) for all uncollected, nonlienable installments carried forward and certified for collection by the elected tax collector in accordance with section 11;
 - (3) for all unpaid taxes certified by the tax collector to the taxing district for collection as delinquent taxes as authorized by law;
 - (4) for unpaid taxes resulting from an interim assessment where, as of December 31, taxes remain unpaid and less than four months have elapsed since the date of the tax notice;
 - (5) for all unpaid taxes upon real property, which real property shall have been returned to the county commissioners as provided by law, or shall have been certified to the taxing district, or its solicitor, for the entry of liens in the office of the prothonotary; and
 - (6) in the case of occupation, poll and per capita taxes, for taxes accounted for by exonerations, which shall be granted by the taxing district upon oath or affirmation that he has complied with section twenty of this act.

In all taxing districts which have authorized installment payments to be made after December 31 of the year in which taxes are levied, all unpaid installments of taxes upon real property shall be certified by the elected tax collector to the taxing district, together with a proper description of the property upon which the same is levied, at the time of complete and final settlement. All unpaid installments so certified to the taxing district shall be collected by the elected tax collector in accordance with section 11.

Upon final and complete settlement of a tax duplicate, a tax collector shall take an oath or affirmation in writing and subscribed by the tax collector, that he has made a true and just return of all taxes collected by him. Such oath or affirmation shall be administered by the officer of the taxing district empowered to make settlement, who shall have power to administer the same, and shall be filed with such officer.

- (b) (1) The final accounts and monthly or other periodic returns and payments of a tax collector for county taxes collected for a county of the third, fourth, fifth, sixth, seventh or eighth class in counties with an elected controller may be audited by the controller. If the controller does not conduct this audit, clause (2) shall apply.
- (2) The provisions of this clause shall apply to all taxing districts except counties in which an audit is conducted by a county controller in accordance with clause (1). (i) The tax collector's final accounts and records, monthly or other periodic returns and payments and duplicates shall be audited annually by the controller or auditors of the taxing district or, at the request of the taxing district, by an independent certified public accountant or public accountant. (ii) If the audit is conducted by the controller or auditors of the taxing district, the audit shall be conducted in accordance with the laws of the Commonwealth applicable to the taxing district. (iii) If the audit is conducted by a certified public accountant or public accountant, the audit shall be conducted in accordance with generally accepted auditing standards.

- (3) Nothing in this act or any other law shall prohibit local taxing districts from cooperating in conducting a simultaneous audit of any tax collector serving the taxing districts. Taxing districts may enter into agreements whereby the elected auditor or controller of one taxing district or a designated certified public accountant or public accountant may conduct a simultaneous audit on behalf of each taxing district.

(26 amended Dec. 20, 2000, P.L.735, No.104)

Section 26.1. Delinquent Tax Collector.--

- (a) Subject to the conditions in subsection (b), in a county, city of the third class, borough, town or township governed by this act, the elected tax collector shall serve as a delinquent tax collector for the collection of delinquent taxes in accordance with and provided with the same powers, rights, privileges, duties and obligations as are set forth in section 686 of the act of March 10, 1949 (P.L.30, No.14), known as the "Public School Code of 1949."
- (b)
 - (1) In a taxing district governed by this section that is also subject to the act of July 7, 1947 (P.L.1368, No.542), known as the "Real Estate Tax Sale Law," the tax collector shall serve as a delinquent tax collector in accordance with subsection (a) only until the date established in accordance with section 306 of the "Real Estate Tax Sale Law" for the return to the county tax claim bureau.
 - (2) In a taxing district governed by this section that is not subject to the "Real Estate Tax Sale Law," the tax collector shall serve as delinquent tax collector in accordance with subsection (a) only until the date established by the governing body of the taxing district.

(26.1 amended Mar. 22, 2002, P.L.200, No.14)

Section 27. Recovery of Taxes Paid Over by Tax Collector.--

In case a tax collector pays the taxes levied against any real property or personal taxes without having collected the same, he shall be entitled to collect the same from the person who is liable therefor so long as his warrant remains in force, or in the case of real property have the taxes filed as a lien to his use in the office of the prothonotary, if the period for the filing of such lien has not expired.

Section 28. Expiration of Term of Third Class City Treasurer and County Treasurer.--

Upon the expiration of the term of office of the city treasurer of any city of the third class or a county treasurer, in case any of the taxes he was commanded to collect remain unpaid, he shall turn over the unpaid or delinquent taxes to his successor in office, who shall have power to collect the same in the same manner as in the case of the treasurer to whom warrants were first issued. Before such duplicates are surrendered to a successor, the tax accounts of the outgoing treasurer shall be adjusted and balanced to the satisfaction of the incoming treasurer and the respective taxing authorities, before any release of the bond of the outgoing treasurer shall be given.

(28 amended Feb. 2, 1966, 1965 P.L.1872, No.592)

Section 29. Collection of Taxes after Expiration of Office.--

Any tax collector and his sureties, except a treasurer of a city of the third class, upon the expiration of his term of office shall be responsible for the collection and payment over of the unpaid taxes charged in duplicates in his possession and for the final and complete settlement of such duplicates in the manner provided by this act.

Section 30. Collection of Taxes by Legal Representatives of Deceased Collector.--

The executors or administrators of any deceased tax collector, except a treasurer of a city of the third class and except a county treasurer of any county of the third, fourth, fifth, sixth, seventh or eighth class designated to collect county and institution district taxes in cities of the third class, and except a county treasurer of any county of the fourth, fifth, sixth, seventh and eighth class designated to collect county taxes in municipalities

existing or organized under the act of April 13, 1972 (P.L.184, No.62), known as the "Home Rule Charter and Optional Plans Law," that have eliminated the elective office of tax collector, shall have the same powers to enforce collection of unpaid taxes as the collector would have if living, and for that purpose, may employ a suitable person to act for them in the execution of the warrants with all the powers possessed by the deceased collector.

(30 amended Dec. 13, 1982, P.L.1201, No.275)

Section 31. Failure to Settle Duplicates.--

Unless settlement of a duplicate is made by a tax collector of a borough, town or township of the second class, or by any tax collector of school taxes in the manner provided by this act, he shall not be entitled to the duplicate or duplicates of any taxing district with which settlement has not been so made for any succeeding year during his term, and a tax collector shall be appointed in his stead in the manner provided by law.

Section 32. Compensation to Be Made by Warrant.--

All payments made by any taxing district to any such tax collector for compensation or expenses incident to his serving as tax collector, shall be made by proper warrants or orders drawn upon the treasurer. It shall be unlawful for any such tax collector to deduct funds for his compensation or expenses as tax collector or treasurer from any taxing district funds in his possession.

Section 33. Compensation and Expenses of Tax Collector in Cities of the Third Class Shared.--

For the collection of city, county, institution district and school taxes in a city of the third class, the city treasurer, as tax collector, shall be paid an annual salary, which salary shall be fixed before the election of the city treasurer jointly by taxing authorities, other than the institution district whose taxes are collected under the provisions of this act. In the case of newly created cities, the said salary shall be fixed by said taxing authorities before any tax duplicates are delivered to the city treasurer. In fixing the salary of the tax collector the taxing authorities fixing the same shall each be assigned one vote, which one vote shall be divided into fractions, assigning an equal fraction of one vote to each member of the same taxing authority, and a majority of all the fractional votes cast shall govern.

The tax collector of each city of the third class shall appoint all necessary deputies, clerks and assistants whose number and salaries shall be fixed jointly by the taxing districts in the same manner as hereinbefore provided for the fixing of the salary of the tax collector. Said deputies, clerks and assistants shall give fidelity bond payable to the Commonwealth for the use of the city, county, institution district and school district, conditioned on the faithful accounting and payment over of all tax moneys received by them.

Each city of the third class shall provide and furnish for the tax collector at his office, as city treasurer, suitable office space, light, heat, furniture and janitor service.

The salaries of the tax collector and his deputies, clerks and assistants shall be paid monthly or semimonthly in equal proportions by the city, the county and the school district in the same manner as other officers of said city, county and school district under such arrangement as to payment as may be agreed upon between said taxing districts.

The salaries of the city treasurer as tax collector, his deputies, clerks and assistants, as fixed under the provisions of this section, shall in each case be considered as salary or compensation for purposes of any pension or retirement act in effect in such city and the taxing authorities, other than the institution district, shall contribute, pay or guarantee to the pension or retirement fund the amount which, according to law, the city is required to contribute, pay or guarantee to such fund by reason of the fact that the salaries herein provided for are considered as salaries or compensation of such employes for the calculation of pension or retirement rights and liabilities. Each taxing district may annually set aside, apportion and appropriate out of all taxes and income a sum sufficient for such payments or guarantees.

The salaries of the deputies, clerk and assistants of the city treasurer, as tax collector, as fixed under the provisions of this section, shall in each case be considered as salary or compensation paid by the city for the purposes of any pension or retirement act in effect in such city, and the taxing authorities, other than such city, or an institution district, shall pay to the said city their respective pro rata share of the amount paid by the city to said fund.

The taxing authorities, other than the institution district, shall be required to pay in the proportions hereinafter prescribed the premium on the bonds, required to be given by law, by the tax collector and his deputies, clerks and assistants to the Commonwealth.

The taxing authorities, other than the institution district, shall, in equal proportions, pay the cost of stationery, supplies, printing, notices, postage, telephone service, office equipment and incidental expenses necessarily incurred in the conduct of the tax collector's office; these expenses to be determined by a board consisting of one representative from each such taxing authority to be appointed by such taxing authority.

In sharing the cost of premium on bonds the city, county and school district shall each pay such portion thereof as the amount of taxes on its duplicate delivered to the city treasurer for collection bears to the total amount of the taxes on the duplicates of all said taxing districts delivered to the treasurer for collection. The proportionate shares of the above costs to be paid by the said taxing districts under the provisions of this amendment shall commence on the date when this act becomes effective, shall be calculated on the tax duplicates delivered to the city treasurer in the year one thousand nine hundred forty-nine, and shall be paid according to such initial calculation for a period of twelve months. At the end of such twelve month period and at the end of each twelve month period thereafter, new pro rata shares shall be calculated on the tax duplicates delivered to the city treasurer during the calendar year in which such period ended and shall be paid for the twelve months following.

Provisions of this section shall not apply with respect to county and county institution district taxes in counties of the third, fourth, fifth, sixth, seventh or eighth class having appointed a county treasurer to assume responsibility for the billing and collection of county and county institution district taxes in cities of the third class nor to county taxes in counties of the fourth, fifth, sixth, seventh and eighth class having appointed a county treasurer to assume responsibility for the billing and collection of county taxes in municipalities existing or organized under the act of April 13, 1972 (P.L.184, No.62), known as the "Home Rule Charter and Optional Plans Law," that have eliminated the elective office of tax collector. (Par. amended Dec. 13, 1982, P.L.1201, No.275)

(33 amended July 13, 1957, P.L.893, No.394)

Section 34. Compensation of Tax Collector in First Class Townships.--

The township treasurer shall receive for his duties as treasurer and tax collector for the township, a sum equal to five per centum of all township taxes received or collected by him, and in addition thereto, a sum equal to one per centum on all other moneys received or collected by him for the township, unless a different rate or annual compensation shall be fixed by ordinance of the township commissioners: Provided, That in no case shall the total compensation of the treasurer, as treasurer and tax collector for the township, exceed the sum of ten thousand dollars. The township treasurer as collector of township taxes shall be allowed such actual printing and postage expenses as shall be incurred in performing the duties prescribed in this act. Such amounts shall be adjusted by the township auditor or controller, as the case may be, at the time of auditing the treasurer's account.

The compensation of the township treasurer as collector of county and institution district taxes shall be fixed by the county commissioners, and shall not exceed five per centum of the amount collected.

The commission or compensation of the township treasurer, as collector of school district taxes, shall be fixed by the board of school directors, and shall not exceed five per centum of the amount collected. The total cost of

such collection shall be reported annually to the Superintendent of Public Instruction and shall be published in his report.

For the collection of county, institution district and school taxes, the tax collector shall be allowed by the respective taxing authorities actual and needful expenditures for printing, postage, books, blanks and forms.

(34 amended Dec. 22, 1965, P.L.1145, No.443)

Section 35. Compensation of Tax Collector in Boroughs and Townships of the Second Class.--

- (a) The tax collector in boroughs and townships of the second class shall receive compensation as provided for herein.
 - (1) For the collection of county, institution district, borough taxes and township taxes in townships of the second class with three thousand or more residents, salary, wages or a commission on all such taxes are to be fixed by the respective taxing authorities levying such taxes, not exceeding five per centum of the amount collected.
 - (2) For the collection of township taxes in townships of the second class with less than three thousand residents, salary, wages or a commission on all such taxes are to be fixed by the board of supervisors, not exceeding ten per centum of the amount collected.
 - (3) In the case of school district taxes, the commission or compensation of the tax collector shall be determined by the board of school directors, and the total cost of such collection shall be reported annually to the Secretary of Education and shall be published in his report.
- (b) Notwithstanding the provisions of section 36.1 or subsection (a)(2), if a millage reduction adopted by the board of supervisors in townships of the second class with less than three thousand residents will decrease the amount of compensation received by a tax collector who is compensated on a commission basis, the board of supervisors may by ordinance at any time increase the commission to the level required to compensate the tax collector in an amount equal to the compensation that would have been received under the former commission prior to the millage decrease.
- (c) For the collection of county, institution district, school district, borough and township taxes, the tax collector shall be allowed by the respective taxing authorities, actual and needful expenditures for printing, postage, books, blanks and forms.

(35 amended July 2, 1996, P.L.484, No.78)

Section 36. Compensation for Collection of Vocational School District Taxes.--

The compensation of the collectors of vocational school district taxes shall be fixed by the board of directors of vocational schools.

Section 36.1. Changing Compensation of Tax Collector.--

When any taxing district or taxing authorities propose to either raise or reduce the compensation or salary for the office of an elected tax collector, such action shall be by ordinance or resolution, finally passed or adopted prior to the fifteenth day of February of the year of the municipal election. (36.1 amended Dec. 22, 1965, P.L.1145, No.443)

Section 36.2. Compensation for Interim Tax Bills.--

- (a) In fixing tax collector compensation in accordance with this act, a taxing district shall provide a method whereby a tax collector will receive additional remuneration for work related to collection efforts with regard to taxes levied and assessed upon a duplicate issued after an interim assessment.
- (b) The additional compensation required in subsection (a) may be based on the issuance of an interim bill or calculated in any other manner permitted by this act.

(36.2 added July 7, 2006, P.L.374, No.80)

Section 37. Exonerations.--

Taxing districts shall at all times make exonerations for uncollectible occupation, poll and per capita taxes, mistakes, indigent persons, unseated lands, deaths, removals, et cetera, as to them shall appear just and reasonable. The chief clerk or secretary, as the case may be, of each taxing district shall enter in a book or books, to be kept for that purpose, the names of all persons exonerated, together with the reason why, the amount of the tax, and date when made, and give to the tax collector a certificate directed to the proper treasurer, stating the nature of the tax and the amount exonerated in order to make settlement accordingly. The list of exonerations shall remain in force until the taxing district upon information received from the tax collector or for other valid reasons, shall rescind or change the list. When a tax collector has been exonerated from the collection of any tax, such action shall not in any way have the effect of discharging or limiting the liability of the taxable, but all methods of enforcing collection of taxes shall continue as though no exonerations had been made.

(37 amended Mar. 13, 1968, P.L.56, No.16)

Section 38. Advertising Names of Person Exonerated.--

Taxing districts may, at the expense of the district, advertise once a week for not longer than three weeks in a newspaper of general circulation in the district, the names of all persons who have been exonerated from the payment of their taxes.

Section 39. Defaulting Tax Collectors; Embezzlement; Penalty.--

If any person charged with the collection, safekeeping or transfer of any taxes under this act, shall convert or appropriate the moneys so collected, or any part thereof, to his own use, in any way whatever, or shall use by the way of investment, in any kind of property or merchandise, any portion of the money so collected by him, and shall prove a defaulter or fail to pay over the same, or any part thereof, at the time and place required by this act to the person legally authorized to demand and receive the same, shall be guilty of embezzlement, and every such tax collector and every other person aiding or abetting or being in any way accessory to such act, and being thereof convicted, shall be sentenced to undergo imprisonment, not exceeding five years, or to pay a fine, not exceeding five thousand dollars, or both, at the discretion of the court.

Section 40. Collection of Taxes by Sureties of Defaulting or Deceased Collectors.--

- (a) When any tax collector shall default in the payment of the taxes charged on the duplicates, either by embezzlement, negligence or failure to collect such taxes within the time prescribed by this act, it shall be lawful for the surety or sureties on his bond to demand from the tax collector the tax duplicates in which said sureties are interested, and the tax collector shall turn over to his said sureties such duplicates of the various taxing districts for which he is collector.
- (b) If the tax collector shall fail, neglect or refuse to turn over such duplicates, upon demand made by his surety or sureties, it shall be lawful for the surety or sureties to present a petition to the court of common pleas of the county in which such tax collector resides, setting forth the fact that such collector has defaulted in making collections. The court being satisfied that such default has been made shall make an order to compel the tax collector to turn over to his sureties, the tax duplicates upon which the sureties are liable.
- (b-1) When any tax collector shall have died and no executor or administrator, within fifteen (15) days thereafter, has been appointed to administer his estate, the surety or sureties on his bond shall have the right and power, after petitioning the court of common pleas of the county in which such deceased tax collector resided, and after the said court has entered an order granting the prayer of the said petition, to take over the tax duplicates in which said sureties are interested, and to proceed to collect the taxes remaining unpaid upon such duplicates in accordance with the provisions of this section until such time

as an executor or administrator of the estate of the deceased tax collector shall be appointed, at which time the said surety or sureties shall file an accounting of such collections in the court where the said order was entered and shall pay such undistributed funds to said executor or administrator.

- (c) The holders of such duplicates shall have the right to appoint a collector for such period of time as herein provided to collect the taxes remaining unpaid upon such duplicates. Any collector so appointed shall have all the authority and power under the warrant issued to the original collector vested by this act. The authorities, issuing said warrants, may issue an additional warrant to the collector of such delinquent taxes upon request of such sureties.
- (d) The provisions of any law extending the time, or any warrant for the collection of taxes on duplicates, shall likewise extend to the collection of taxes on such delinquent tax duplicates.
- (e) Whenever the surety or sureties on the bond of any defaulting or deceased tax collector shall, under the provisions of this section, undertake to collect delinquent taxes, charged in any duplicate delivered to such defaulting or deceased tax collector, by distress and sale of the goods and chattels of the delinquent, or shall distrain on the goods and chattels of any person who shall allege that the taxes with which he stands charged have actually been paid, or that such person whose goods and chattels have been distrained upon shall deny liability for such taxes, then in either event, the taxpayer may petition the court of quarter sessions of the county for a stay of any such sale of goods and chattels distrained upon setting forth the reasons therefor.

The court shall have power to stay such sale pending a hearing of the matter. The court shall have power to fix a day for hearing of which due notice shall be given the surety or sureties of such defaulting or deceased tax collector, as the court may prescribe.

- (f) If the court, after hearing, shall be of the opinion that a taxpayer has actually paid such taxes, or is not liable for the taxes with which he stands charged on the duplicate, it shall direct satisfaction to be entered on such duplicate by the surety or sureties.
- (g) The surety or sureties on the bond of any such defaulting or deceased tax collector or any taxpayer shall have the right, upon demand made, to have a jury pass upon the question whether or not a taxpayer has paid taxes with which he stands charged, and if the jury shall find such taxes have been so paid, the court shall direct the surety or sureties to enter satisfaction on the duplicate.

(40 amended June 25, 1947, P.L.974, No.415)

Section 41. Judgment on Liability of Collector of Taxes; Appeals; Execution.--

- (a) In all cases where, in any settlement of the accounts of any tax collector, the taxing district or the auditing authority thereof, shall subject a tax collector to any liability, a certificate under the hands and seals of the corporate authorities, shall be filed in the office of the prothonotary of the court of common pleas of the county, stating the amount due and unpaid by such tax collector. Notice thereof shall be given by the taxing district, by registered mail, to such tax collector and his sureties.
- (b) It shall be the duty of the prothonotary to enter such certificate on his docket. Such certificate shall from such entry have the same force and effect as a judgment of the court of common pleas, and execution may be issued thereon as on judgments for the amount remaining unpaid at any time after the entry aforesaid.
- (c) Within thirty days of the date of such notice, any tax collector or his sureties, may appeal to the court of common pleas of the proper county from such judgment. No such appeal shall be allowed by the court, unless the appellant shall enter into good and sufficient bond with two sureties or a surety company in such amount as the court shall fix, conditioned to prosecute such appeal, and to pay such sum of money as shall appear to be due on the final determination of the proceedings on said appeal. The court shall thereupon issue a rule on the taxing district to show cause why such judgment should

not be opened or stricken from the record for reasons set forth in the petition. An answer to any such petition and rule shall be filed by the taxing district within thirty days from the date of the service of the rule. Service of the rule shall be made in such manner as the court may direct. The issues joined on the petition, and answer thereto, shall be tried by the court and jury, unless a jury trial shall be waived by both parties.

- (d) In case the appellant does not recover final judgment in court more favorable to him than the amount of the judgment, he shall pay all costs that may accrue on his appeal, but if he should recover in court a final judgment more favorable than the original judgment, then the taxing district shall pay the costs that may accrue on such appeal.
- (e) If no appeal is entered, or if an appeal is entered and no security given, as herein required, or if upon such appeal, judgment is given against the tax collector in any amount, execution may issue in like manner as on judgments for the amount due, and recourse may be had against the sureties of such tax collector.

Section 42. Penalty.--

- (a) Any tax collector failing to comply with the provisions of section thirteen of this act, and any tax collector, treasurer or commissioner who violates any of the provisions of section fourteen of this act, shall be sentenced to pay a fine of not more than five hundred dollars, or be sentenced to imprisonment for not more than six months, or both, at the discretion of the court.
- (b) A person who formerly held the office of tax collector who unlawfully and intentionally impairs the availability of tax collection records in violation of section 4.3(d) commits a misdemeanor of the second degree.

(42 amended July 7, 2006, P.L.374, No.80)

Section 43. Repeals.--

The following acts and parts of acts and their amendments are hereby repealed to the extent hereinafter specified.

- (1) Sections eighteen, nineteen and twenty of the act, approved the eleventh day of April, one thousand seven hundred ninety-nine (three, Smith's Laws, three hundred ninety-two), entitled "An act to extend for a limited time an act, entitled 'A further supplement to the act, entitled "An act for making an artificial road from the city of Philadelphia to the borough of Lancaster"; and for other purposes," absolutely.
- (2) Sections forty-one, forty-six, forty-seven, forty-eight, forty-nine, fifty, fifty-one and fifty-two of the act, approved the fifteenth day of April, one thousand eight hundred thirty-four (Pamphlet Laws, five hundred nine), entitled "An act relating to county rates and levies, and township rates and levies," absolutely.
- (3) Section three of the act, approved the twenty-eighth day of February, one thousand eight hundred thirty-five (Pamphlet Laws, forty-five), entitled "A supplement to the act relating to county rates and levies, and township rates and levies, and to the act relating to counties and townships, and county and township officers," absolutely.
- (4) Section eight of the act, approved the twenty-seventh day of May, one thousand eight hundred forty-one (Pamphlet Laws, four hundred), entitled "An act relating to the Election of County Treasurers, and for other purposes," absolutely.
- (5) Sections nineteen and twenty-one of the act, approved the twenty-second day of April, one thousand eight hundred forty-six (Pamphlet Laws, four hundred eighty-six), entitled "An act to provide for the reduction of the public debt," absolutely.

- (6) The act, approved the twenty-sixth day of March, one thousand eight hundred sixty-seven (Pamphlet Laws, forty-five), entitled "An act relating to the powers of the legal representatives of deceased tax collectors in this Commonwealth," absolutely.
- (7) Sections three, five, six, seven, eight, nine, ten and twelve of the act, approved the twenty-fifth day of June, one thousand eight hundred eighty-five (Pamphlet Laws, one hundred eighty-seven), entitled "An act regulating the collection of taxes in the several boroughs and townships of this Commonwealth," absolutely.
- (8) The act, approved the twenty-second day of May, one thousand eight hundred ninety-five (Pamphlet Laws, one hundred eleven), entitled "An act to provide for the more speedy and effectual manner of collecting the road and poor taxes in the several boroughs and townships in this Commonwealth," absolutely.
- (9) Sections one and four of the act, approved the twenty-fifth day of June, one thousand eight hundred ninety-five (Pamphlet Laws, two hundred ninety-six), entitled "An act requiring tax collectors of townships and boroughs of the Commonwealth to give a numbered tax receipt from a book to be furnished by the county commissioners, containing a correspondingly numbered stub, and requiring a sheet setting forth name, amount of tax paid and number of receipt, to be sent twenty days before each election to the county commissioners for public inspection, and to provide for punishment of tax collectors violating the provisions of this act," absolutely.
- (10) The act, approved the ninth day of July, one thousand eight hundred ninety-seven (Pamphlet Laws, two hundred forty-two), entitled "An act requiring the tax collectors of the several boroughs and townships of this Commonwealth to make monthly returns of the taxes collected by them and the amount outstanding upon their respective duplicates to the several authorities legally authorized to receive the said taxes, and to borough councils, and to pay over monthly the amounts so collected by them; and providing a penalty for the violation of the same," absolutely.
- (11) Sections five hundred forty-five and five hundred forty-eight, subsections (a), (b) and (c) of section five hundred fifty, sections five hundred fifty-one, five hundred fifty-two, five hundred fifty-three, five hundred fifty-four, five hundred fifty-five, five hundred fifty-six, five hundred fifty-seven, five hundred fifty-eight, five hundred fifty-nine, five hundred sixty-one, and five hundred sixty-six of the act, approved the eighteenth day of May, one thousand nine hundred eleven (Pamphlet Laws, three hundred nine), entitled "An act to establish a public school system in the Commonwealth of Pennsylvania, together with the provisions by which it shall be administered; and prescribing penalties for the violation thereof; providing revenue to establish and maintain the same and the method of collecting such revenue; and repealing all laws, general, special or local, or any parts thereof, that are or may be inconsistent therewith," absolutely.
- (12) Sections one thousand eight-one, one thousand three hundred five, one thousand three hundred six, one thousand three hundred seven, one thousand three hundred eight, one thousand three hundred nine, one thousand three hundred ten, one thousand three hundred eleven, one thousand three hundred twelve, one thousand three hundred thirteen and one thousand three hundred fourteen of the act, approved the fourth day of May, one thousand nine hundred twenty-seven (Pamphlet Laws, five hundred nineteen), entitled "An act concerning boroughs; and revising, amending and consolidating the law relating to boroughs," absolutely.
- (13) The act, approved the twelfth day of March, one thousand nine hundred twenty-nine (Pamphlet Laws, eighteen), entitled "An act regulating the collection of county taxes in cities; and providing for discounts and penalties," absolutely.
- (14) The act, approved the twenty-third day of April, one thousand nine hundred twenty-nine (Pamphlet Laws, six hundred thirty-four), entitled "An act to provide for the taking of tax duplicates by sureties

on the bonds of delinquent or defaulting tax collectors, and the appointment by such sureties of a collector for the collection of taxes due on such duplicates," absolutely.

- (15) The act, approved the twenty-fifth day of April, one thousand nine hundred twenty-nine (Pamphlet Laws, seven hundred seventy-six), entitled "An act relating to the payment of taxes on seated and unseated lands by joint tenants, tenants in common, or coparceners," absolutely.
- (16) Sections two thousand five hundred fifty-six, two thousand five hundred fifty-eight, two thousand five hundred fifty-nine, two thousand five hundred sixty, two thousand five hundred sixty-one, two thousand five hundred sixty-two, two thousand five hundred sixty-three, two thousand five hundred sixty-five, two thousand five hundred sixty-six and two thousand five hundred sixty-seven of the act, approved the twenty-third day of June, one thousand nine hundred thirty-one (Pamphlet Laws, nine hundred thirty-two), entitled "An act relating to cities of the third class; and amending, revising and consolidating the law relating thereto," absolutely; and section two thousand five hundred sixty-four thereof, except in so far as it provides for the deposit of city moneys.
- (17) Sections eight hundred two, one thousand seven hundred thirteen, one thousand seven hundred fourteen, one thousand seven hundred fifteen, one thousand seven hundred sixteen, one thousand seven hundred seventeen, one thousand seven hundred eighteen, and one thousand seven hundred nineteen of the act, approved the twenty-fourth day of June, one thousand nine hundred thirty-one (Pamphlet Laws, one thousand two hundred six), entitled "An act concerning townships of the first class; amending, revising, consolidating and changing the law relating thereto," absolutely.
- (18) The act, approved the twenty-fifth day of July, one thousand nine hundred thirty-two (Pamphlet Laws, ten), entitled "An act authorizing counties, cities, boroughs, towns, townships, school districts and poor districts to install by ordinance or resolution a system for the collection of taxes in installments; and specifying certain conditions and penalties in such cases," absolutely.
- (19) Section nine hundred nine of the act, approved the first day of May, one thousand nine hundred thirty-three (Pamphlet Laws, one hundred three), entitled "An act concerning townships of the second class; and amending, revising, consolidating and changing the law relating thereto," in so far as it relates to abatements and penalties; and sections five hundred seventy-one, nine hundred ten, nine hundred eleven, nine hundred twelve, nine hundred thirteen, nine hundred fourteen, nine hundred fifteen and nine hundred sixteen thereof, absolutely.
- (20) The act, approved the twelfth day of July, one thousand nine hundred thirty-five (Pamphlet Laws, seven hundred thirteen), entitled "An act authorizing the courts of quarter sessions to stay sales of goods and chattels distrained upon by sureties of defaulting tax collectors; and providing a procedure to exonerate the sureties where delinquent taxpayers are unable to pay taxes; and to direct satisfaction of the taxes charged in duplicates where it appears such taxes have been paid," absolutely.
- (21) The act, approved the second day of July, one thousand nine hundred thirty-seven (Pamphlet Laws, two thousand seven hundred eighty), entitled "An act relating to the settlements of accounts of collectors of county taxes; providing for procedure in such cases and for appeals to courts of common pleas," absolutely.
- (22) Section three of the act, approved the second day of July, one thousand nine hundred thirty-seven (Pamphlet Laws, two thousand seven hundred ninety-seven), entitled "An act requiring collectors of city, county, borough, town, township, school and poor district taxes to file certain reports with the quarter sessions court and the Department of Internal Affairs; directing such department to prepare and furnish forms for such reports; making such reports available for public inspection; requiring all payments to such collectors for compensation and expenses to be by warrant or order; prohibiting such collectors from deducting their compensation and expenses from public funds in their possession; and making violating of the act a misdemeanor," absolutely.

- (23) The act, approved the twentieth day of June, one thousand nine hundred thirty-nine (Pamphlet Laws, five hundred eight), entitled "An act defining the rights, powers and duties of collectors of county taxes, except in counties of the second class, and counties having local or special laws relating thereto, and of collectors of city, in cities of the third class, borough, town, township, school district and institution district taxes; providing for the collection of such taxes by suit, distraint and lien, and sale of the chattels of taxables and of tenants on the real estate affected, and from employers of delinquent taxables; authorizing the appointment of deputies by the tax collectors; defining certain defaults of tax collectors as embezzlements; and imposing penalties," absolutely.
- (24) The act, approved the twenty-fourth day of July, one thousand nine hundred forty-one (Pamphlet Laws, four hundred ninety-six), entitled "An act providing that taxes on unseated lands shall be collected and returned in the same manner, and at the same time, as taxes on seated lands," absolutely.
- (25) The act, approved the thirteenth day of April, one thousand nine hundred forty-three (Pamphlet Laws, fifty), entitled "An act to amend the title and section 1 of, and to add sections 2.1, 2.2, 2.3 and 2.4 to the act, approved the twenty-fourth day of July, one thousand nine hundred forty-one (Pamphlet Laws, four hundred ninety-six), entitled 'An act providing that taxes on unseated lands shall be collected and returned in the same manner and at the same time as taxes on seated lands,' providing that in counties of the seventh and eighth classes taxes on unseated lands shall be returned by the tax levying authorities to the county commissioners, and collected by the county treasurer," absolutely.

Section 44.

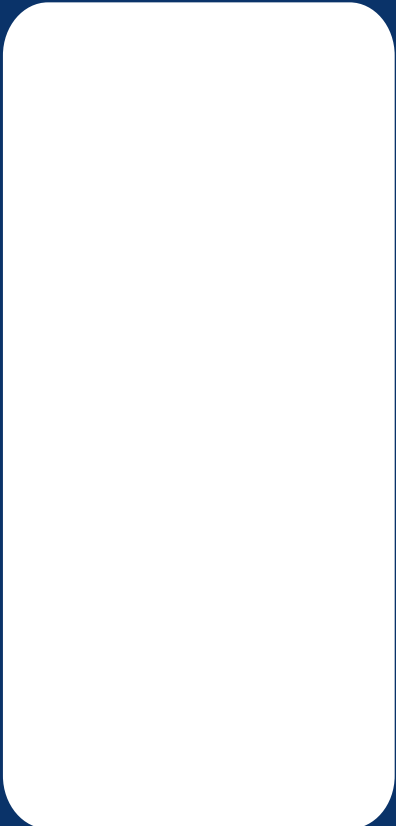
All other acts and parts of acts inconsistent herewith are hereby repealed.

Section 45.

This act shall become effective on the first day of January, one thousand nine hundred and forty-six.

Pennsylvania Department of Community & Economic Development
Governor's Center for Local Government Services
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

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