



PENNSYLVANIA STATE ASSOCIATION OF TOWNSHIP SUPERVISORS

February 6, 2012

TO: House Finance Committee
FROM: Elam M. Herr, *EMH* Assistant Executive Director
SUBJECT: House Bill 1877 (PN 2438)

Currently before the House Finance Committee is House Bill 1877 (PN 2438), which would amend the Real Estate Tax Sale Law (Act 542 of 1947) to remove certain provisions of the law as they relate to delinquent real estate taxes being payable to the county tax claim bureau.

The county tax claim bureau is responsible for collecting delinquent real estate taxes for the municipalities and school districts within the county. Currently, each taxing district is required to pay a five percent commission to the bureau for the recovery of these delinquent taxes. Unfortunately, this fee also includes instances where the delinquent tax payment is made directly to the taxing district.

HB 1877 would provide relief to those local governments that have undertaken the task of collecting delinquent tax revenue to which they are owed without being required to forfeit a percentage of this revenue to the county. Such an amendment could also encourage more municipalities and school districts to undertake the collection of delinquent taxes themselves, thus relieving some of the work burden on the county.

Again, the Association supports HB 1877 and asks that it be voted upon favorably. If you have any questions, or wish to discuss this bill in detail, please do not hesitate to contact me at the Association's office.

EMH:klt