



# County of Lackawanna

Lackawanna County  
Administration Building  
200 Adams Avenue  
Scranton, Pennsylvania  
18503

## Certified Copy

Ordinance: 16-0255

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**File Number: 16-0255**

Authorizing the Tax Claim Bureau to Extend or Defer the Time for the Discharge of Tax Claims for Elderly Property Owners

**First Reading: September 7, 2016**

**Second Reading: September 21, 2016**

**ORDINANCE #244**  
**BOARD OF COMMISSIONERS**  
**OF THE**  
**COUNTY OF LACKAWANNA, PENNSYLVANIA**

**AN ORDINANCE AUTHORIZING THE LACKAWANNA COUNTY TAX CLAIM BUREAU  
TO EXTEND OR DEFER THE TIME FOR THE DISCHARGE OF TAX CLAIMS FOR  
ELDERLY PROPERTY OWNERS UNDER THE REAL ESTATE TAX SALE LAW AND  
IMPLEMENTING ACT 93 OF 2014**

**WHEREAS**, Lackawanna County is a Third Class County existing pursuant to the Laws of the Commonwealth of Pennsylvania; and

**WHEREAS**, Lackawanna County operates a Tax Claim Bureau pursuant to the provisions of the Real Estate Tax Sale Law, 72 P.S. §5860.101, et. seq. ("RETSL"); and

**WHEREAS**, Section 504 of the RETSL was added by the Act of December 20, 1990, P.L. 1462, No. 220 § 1 ("Section 504") and grants to the County Commissioners an option to extend or defer the period for discharge of tax claims on behalf of eligible persons sixty-five (65) years of age or older to prevent them from losing their residences and/or equity in their residences as a result of unpaid real estate taxes; and

**WHEREAS**, it is the intent of the County Commissioners, pursuant to Section 504 of the RETSL, to enact such a policy under the authority conferred by the General Assembly; and

**WHEREAS**, pursuant to Section 7193.5 of the Municipal Claim Tax Lien Act ("MCTLA") the General Assembly has permitted the tax claim bureaus of the several counties to adopt and use the procedures set forth in the MCTLA in addition to the procedures set forth in the RETSL; and

**WHEREAS**, Act 93 of 2014 was enacted on November 27, 2013, and became effective on January 26, 2014; and

**WHEREAS**, Act 93 of 2014 amends the MCTLA to enable a tax claim bureau, its designee or successor agent to file a general judgment lien for delinquent taxes outstanding on one property against other properties owned by the delinquent tax payer in Lackawanna County or any other county to facilitate the collection of those taxes; and

**WHEREAS**, it is the intent of the County Commissioners, pursuant to Section 7193.5 of the MCTLA, to adopt and use the procedures set forth in the MCTAL and implement Act 93 of 2014 under the authority conferred by the General Assembly; and

**NOW, THEREFORE, BE IT ORDAINED AND ENACTED** the Board of Commissioners of the County of Lackawanna, Pennsylvania as follows:

**Section 1.**

If the Tax Claim Bureau or any successor agent ("Bureau"), in conjunction with the Lackawanna County Solicitor's Office, determine, after review of a completed application for relief executed and attested to by the applicant(s), that tax claims relate to residential real estate, which is owned and occupied by persons all of whom are age sixty five (65) or older and that there is a possibility that such owner(s) are not fully informed as to the tax claim or claims against such property and/or the effect of the pending sale of said property, or the persons otherwise need assistance to prevent the property from going to sale, the period of discharge of the tax claims may be extended or payment of the tax claims may be deferred to a later time as determined by the Bureau.

**Section 2.**

To be eligible for a deferral of tax, an applicant's household income must be equal to or less than the maximum household income necessary to qualify for a property tax or rent rebate under the Senior Citizens Rebate Assistance Act of March 11, 1971 (P.L. 104, No. 3).

**Section 3.**

The application for extension authorized under Section 1 shall be made in a form as provided by the Bureau.

**Section 4.**

The Bureau and the Office of Solicitor, either through their own action or in cooperation with the Area Agency on Aging, may examine documents of record, require documentation of household income, conduct inquiries or take any other action to determine if the owner/applicant of the property to which the tax claim relates to is age sixty five (65) or older.

**Section 5.**

If it is determined that the owner/applicant is sixty five (65) years of age or older, and meets the income requirements detailed in Section 2, any of the following actions are authorized insofar as such action will not ultimately result in loss to the Bureau or to any taxing district:

- (a) Extend the period for discharge of a tax claim(s) up to 3 additional months if it appears to the Bureau and the Solicitor's Office that suitable arrangements for payment of the tax claim(s) can be made within the period.
  
- (b) If it is determined that the owner desires to continue to reside in the residence and cannot afford to pay the tax claim(s) and continue to live in a comfortable lifestyle, the Bureau may stay the tax sale and defer payment of the tax claim(s) until such time as title to the property is transferred or the owner is no longer the sole occupant of the property. Any such tax deferral may be granted only if the Bureau and Solicitor's Office determines:
  - (i) The income limitations of Section 2 above are met;
  - (ii) The value of the property justifies such deferral;
  - (iii) The owner's equity in the property justifies such deferral;
  - (iv) The property is at all times adequately insured; and
  - (v) Any other requirements deemed necessary for entitlement to the deferral and for protection of the tax claim(s) as determined by the Bureau and Solicitor's Office.
  
- (c) All taxes deferred under subsection (b) above shall constitute a prior lien on the property in favor of the taxing districts and shall attach as of the date and in the same manner and shall be collected as other liens for taxes, but the taxes shall be due and payable only when title to the property is transferred or the eligible owner is no longer the sole occupant.
  
- (d) If it is determined by the Bureau and the Solicitor's Office that the owner does not desire to continue to reside in the property, or that a deferral of tax pursuant to Paragraph (b) above would jeopardize the ultimate recovery of the tax claim(s) in full, and it appears that the owner has equity in the residence, which would be lost at a regular tax sale, a special tax sale of the property may be held pursuant to the following procedure.
  - (i) At least two (2) independent appraisals of the property shall be obtained, and the property shall be placed on the market at the price midway between the appraisals.
  - (ii) The property shall be on the market for a period of time, which cannot exceed eleven (11) months from the date the property was initially scheduled for sale.
  - (iii) If the property is sold within the specified time period, the proceeds of the sale shall be distributed according to the distribution priority schedule stated in Section 205(d) of the RETSL and confirmed as provided in Section 205(e) of the RETSL. The cost of the appraisals and seller's costs of the sale shall be

borne by the property owner.

- (iv) If the property is not sold at special tax sale within the time period allowed, the property shall be sold at the next regularly scheduled tax sale, and the costs of attempting the special tax sale shall be recouped by the Bureau at the regularly scheduled tax sale.

**Section 6.**

All taxes deferred under this policy shall bear simple interest from the date they become due and payable until the date they are paid. The interest rate per annum for each calendar year shall be the rate established by Section 306 of the RETSL.

**Section 7.**

The Lackawanna County Tax Claim Bureau, its designee or successor agent is authorized to utilize the provisions of the MCTLA in the collection of delinquent taxes.

**Section 8.**

The Lackawanna County Tax Claim Bureau, its designee or successor agent is authorized and directed to file liens for existing delinquent real estate taxes with the Lackawanna County Clerk of Judicial Records in accordance with the provisions of Section 7106 of the MCTLA.

**Section 9.**

Pursuant to Section 7106 of the MCTLA, it is hereby established that the reasonable attorney's fees incurred in the collection of any delinquent account under the MCTLA are hereby fixed at ten percent (10%) of the total amount of the delinquent taxes (including penalties and interest).

**Section 10.**

The Lackawanna County Tax Claim Bureau, its designee or successor agent is hereby authorized and empowered to take such additional action as they may deem necessary or appropriate to implement this Ordinance.

**Section 11.**

If any section, clause, provision or portion of this Ordinance shall be held to be invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Ordinance which shall remain in full force and effect. The Lackawanna County Board of Commissioners reserve the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

**Section 12.**

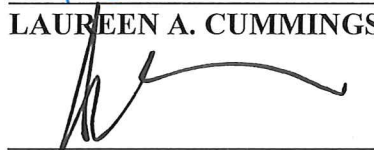
This Ordinance shall be effective in ten (10) days from the date of adoption.

**ADOPTED** at a regular meeting of the Board of Commissioners of Lackawanna  
County held on September 21, 2016.


**COUNTY OF LACKAWANNA**

  
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**PATRICK M. O'MALLEY**

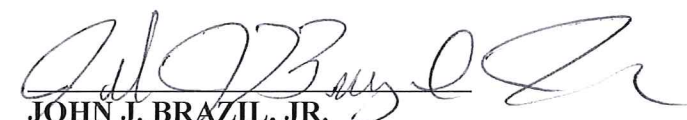
  
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**LAUREEN A. CUMMINGS**

  
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**JERRY NOTARIANNI**

**ATTEST:**

  
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**ANDREW M. WALLACE**  
**CHIEF OF STAFF**

**Approved as to form and legality:**

  
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**JOHN J. BRAZIL, JR.**  
**COUNTY SOLICITOR**