



PENNSYLVANIA UNDERWRITING BULLETIN

FROM: Underwriting Department

DATE: February 25, 2014

TO: All Pennsylvania Policy Issuing Agents of WFG National Title Insurance Company

BULLETIN No.: 2014-01

SUBJECT: PA Municipal Tax Liens: Act 93 of 2013

The Pennsylvania legislature has strengthened municipalities' power to collect unpaid real property taxes. A municipality may reduce a tax claim to judgment and file it in the judgment index.

Pursuant to the provisions of Act 93 of 2013, effective January 26, 2014, a claim for unpaid taxes that has been reduced to judgment will constitute a lien on all real property of the taxpayer in the county where the property is located. In other words, the judgment will have the status and priority of an ordinary judgment lien. It will constitute a personal lien against the property owner. The municipality may also file that judgment in other counties where the taxpayer owns property.

The effect of Act 93 on insurance requirements can be seen when an agent is asked to insure a property held by an owner of multiple properties. If a judgment for unpaid real property taxes is discovered in the judgment index, even though it arises from delinquent taxes on another property of the seller, the closing agent must obtain a satisfaction for the judgment or a release for the property being sold.

This amendment to the Municipal Claim and Tax Lien Law (MCTLL) can be found at the following link. <http://www.legis.state.pa.us/cfdocs/legis/li/uconsCheck.cfm?yr=2013&sessInd=0&act=93>

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