

# City of Philadelphia



Council of the City of Philadelphia  
Office of the Chief Clerk  
Room 402, City Hall  
Philadelphia

(Resolution No. 140500)

## RESOLUTION

Authorizing the Committee on Finance to conduct hearings concerning the collection of delinquent taxes owed to the City of Philadelphia and the use of third-party collection agencies.

WHEREAS, A report conducted by the Controller of the City of Philadelphia released in November 2013 estimated that there is over \$1.2 billion dollars of various taxes owed to the City from the past 20 years, of which the real estate tax makes up the lion's share; and

WHEREAS, According to the Controller's report, Philadelphia also ranked lowest out of a peer group of cities at real estate tax collection rates for fiscal years 2004 – 2012; and

WHEREAS, This report outlines issues in every phase of the City's tax collection and enforcement process, from inadequate efforts to prevent delinquency in the first place to the inordinate amount of time required to take a delinquent property through the Sheriff Sale process, typically 2 ½ years but sometimes as long as six; and

WHEREAS, It has become harder and harder to maintain the level of services that the City is obligated to perform with less revenue coming in to the General Fund; and

WHEREAS, Year after year we are faced with an ever expanding school funding crisis; and

WHEREAS, The City already contracts with two separate third-party tax lien servicers to assist in the collection of back real-estate taxes; and

# City of Philadelphia

*RESOLUTION NO. 140500 continued*

WHEREAS, The outcome of these hearings is to assist the Revenue Department as well as our third-party lien servicers with ways to improve the collection rate of delinquent taxes owed to the City of Philadelphia; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That we hereby authorize the Committee on Finance to conduct hearings concerning the collection of delinquent taxes owed to the City of Philadelphia and the use of third-party collection agencies to improve our collection rate.

# City of Philadelphia

*RESOLUTION NO. 140500 continued*

# City of Philadelphia

*RESOLUTION NO. 140500 continued*

CERTIFICATION: This is a true and correct copy of the original Resolution, Adopted by the Council of the City of Philadelphia on the twenty-second of May, 2014.

Darrell L. Clarke  
PRESIDENT OF THE COUNCIL

Michael A. Decker  
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember Squilla

Sponsored by: Councilmember Squilla