

## Legislation Text

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Amending Chapter 19-3100, entitled “Attorney Fees In Collection Matters; Retention Of Private Attorneys,” by providing for imposition of attorney and collection agency fees in connection with certain collection activity, under certain terms and conditions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Chapter 19-3100 of The Philadelphia Code is amended to read as follows:

CHAPTER 19-3100. ATTORNEY AND OTHER COLLECTION FEES IN COLLECTION MATTERS;  
RETENTION OF PRIVATE ATTORNEYS AND OTHER COLLECTORS.

§ 19-3101. Schedule of Attorney and Other Collection Fees.

(1) Subject to revision from time to time pursuant to subsection 19-3101(2), the following schedule of attorney fees shall apply to the City’s imposition of attorney fees under Section 3(a) of the Municipal Claims and Tax Liens Act (53 P.S. 7106(a)), as amended, *or under any other such law that permits the imposition of attorney fees* in connection with the collection of delinquent tax and other municipal claims *and accounts*:

(a) In a matter handled by Law Department attorneys, attorney fees of six percent (6%) of the amount of the delinquent claim shall be imposed;

(b) In a matter for which a private attorney has been retained by the Law Department on a contingency fee basis, attorney fees of *up to* eighteen percent (18%) of the amount of the delinquent claim shall be imposed; and

(c) In a matter for which a private attorney has been retained by the Law Department on a non-contingency basis, attorney fees at a rate of seventy-five dollars (\$75) per hour shall be imposed.

*(1.1) Subject to revision from time to time pursuant to subsection 19-3101(2), the following schedule of non-attorney collector fees shall apply to the City’s imposition of such fees under Sections 1 and 3 of the Municipal Claims and Tax Liens Act (53 P.S. 7101, 7106), as amended, or under any other such law that permits the imposition of such fees in connection with the collection of delinquent tax and other municipal claims and accounts:*

*(a) In a matter handled by the Law Department or Revenue Department, a collection fee of six percent (6%) of the amount of the delinquent claim shall be imposed.*

*(b) In a matter for which a private collections firm has been retained by the Law Department on a contingency fee basis, a collection fee of up to eighteen percent (18%) of the amount of the delinquent claim shall be imposed.*

(2) The City Solicitor may from time to time by regulation revise the [schedule] *schedules* of

attorney fees set forth in subsection 19-3101(1) *and collector fees set forth in subsection 19-3101(1.1)* to ensure that the City is fully reimbursed for the reasonable cost of *employing and/or retaining attorneys and other collectors to collect delinquent taxes and other municipal claims and accounts* pursuant to the Municipal Claims and Tax Liens Act *or any other such authorizing law*. Such regulations may for such purposes classify collection matters differently than the classification set forth in subsections 19-[3100]3101(1)(a) through (c) *or 19-3101(1.1)*. The City Solicitor shall notify the Council of any such proposed regulations by providing a copy to the Chief Clerk of Council at the same time the proposed regulations are filed with the Department of Records in accordance with subsection 8-407(a) of the Philadelphia Home Rule Charter.

*(3) The amounts set forth in or pursuant to this Section shall apply only to the extent authorized by applicable law. Fees shall be imposed in the amounts set forth pursuant to the above subsections or in the amounts authorized by applicable State enabling legislation, whichever is less.*

*(4) In the City Solicitor's discretion, the City may agree to pay private attorneys or collectors more or less than the amounts set forth in or pursuant to this Section, so long as the amounts charged to taxpayers and municipal claims and accounts debtors do not exceed the amounts set forth in or pursuant to this Section and do not exceed other applicable law.*

SECTION 2. This Ordinance shall be effective with respect to any payments made on or after the first day following the end of the Amnesty Period established pursuant to Bill No. 090686. At least thirty (30) days prior thereto, the City Solicitor shall file with the Clerk a schedule of fees of which applicable law will permit imposition on taxpayers and municipal claims and accounts debtors. If and to the extent applicable enabling legislation permits the City to impose fees different from those previously certified, any increased fees shall take effect no earlier than thirty (30) days after the City Solicitor files a revised schedule of fees with the Clerk.

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**Explanation:**

[Brackets] indicate matter deleted.  
*Italics* indicate new matter added.