

allowed for cause but may not exceed 120 days.

(2) The department shall hold such hearings as may be necessary for the purpose of redetermination, and each claimant who has duly filed such petition for redetermination shall be notified by the department of the time when and the place where such hearing in the claimant's case will be held.

(d) Time period for decision.--The department shall, within six months after receiving a filed petition for redetermination, dispose of the matters raised by such petition and shall mail notice of the department's decision to the claimant.
Section 1312. Review by Board of Finance and Revenue.

(a) Right to review.--Within 90 days after the date of official receipt by the claimant of notice mailed by the department of its decision on a petition for redetermination filed with it, the claimant who is adversely affected by the decision may by petition request the board to review such action.

(b) Effect of no decision from department.--The failure of the department to officially notify the claimant of a decision within the six-month period provided for by section 1311 shall act as a denial of the petition, and a petition for review may be filed with the board within 120 days after written notice is officially received by the claimant that the department has failed to dispose of the petition within the six-month period.

(c) Contents of petition for redetermination.--A petition for redetermination filed shall state the reasons upon which the claimant relies or shall incorporate by reference the petition for redetermination in which such reasons were stated. The petition shall be supported by affidavit that the facts set forth therein are correct and true.

(d) Time period for decision.--The board shall act in disposition of petitions filed with it within six months after they have been received, and, in the event of failure of the board to dispose of any petition within six months, the action taken by the department upon the petition for redetermination shall be deemed sustained.

(e) Relief authorized by board.--The board may sustain the action taken by the department on the petition for redetermination or it may take such other action as it shall deem necessary and consistent with provisions of this chapter.

(f) Form of notice.--Notice of the action of the board shall be given by mail to the department and to the claimant.
Section 1313. Appeal.

A claimant aggrieved by a decision of the board may appeal from the decision of the board in the manner provided by law for appeals from decisions of the board in tax cases.

CHAPTER 15

INSTALLMENT PAYMENT OF TAXES

Section 1501. Applicability.

Notwithstanding the act of May 25, 1945 (P.L.1050, No.394), known as the Local Tax Collection Law, this chapter shall authorize school districts of the second, third and fourth class to provide for the collection of school real property taxes in installments for certain eligible taxpayers, to assign installment claims and to increase the compensation of tax collectors.

Section 1502. Installment payment of school real property taxes.

(a) General rule.--A board of school directors of a school district of the second, third or fourth class may adopt a resolution authorizing the collection and payment of school real property taxes in installments.

(b) Adoption of resolution.--No later than June 30, 2007, a board of school directors of a school district of the second, third or fourth class shall adopt a resolution which, for calendar year 2007 and each year thereafter, authorizes the collection and payment of school real property taxes, excluding any interim or delinquent school property taxes, in installments.

(c) Contents of resolution.--The resolution adopted pursuant to subsection (b) shall set forth all of the following:

(1) Permit taxpayers with homestead or farmstead property approved pursuant to section 341 to be eligible to pay school real property taxes in installments.

(2) The process through which an eligible taxpayer may choose to pay school real property taxes in installments. The process shall indicate that:

(i) The payment of the first installment by a taxpayer before it becomes delinquent shall conclusively evidence an intention to pay school real property taxes in installments.

(ii) Where a taxpayer fails to evidence an intention to pay school real property taxes in installments, the school real property taxes shall become due and payable and be collected as provided in the act of May 25, 1945 (P.L.1050, No.394), known as the Local Tax Collection Law, subject to the discounts and penalties provided by that act.

(3) The number of installments that an eligible taxpayer shall be required to pay of school real property taxes, which shall be no more than monthly and no less than three times during the months prior to the date established by the county in which the school district is located for the turnover of delinquent taxes pursuant to the act of July 7, 1947 (P.L.1368, No.542), known as the Real Estate Tax Sale Law.

(4) The dates on which installment payments of school real property taxes are due or delinquent. Notwithstanding the complete and final settlement made in accordance with section 26 of the Local Tax Collection Law, a board of school directors may set installment payment dates subsequent to December 31 and prior to the date established by the county in which the school district is located for the turnover of delinquent taxes pursuant to the Real Estate Tax Sale Law. The unpaid installments shall not be considered delinquent if paid on or before the respective installment dates. To each installment on the date when it becomes delinquent, a penalty of up to 10% shall be added, which shall be collected by the tax collector. No further penalties, except as provided in this chapter, shall be added to any installment of taxes unless one or more installments remain unpaid, and the lands upon which such installments are due are returned under the existing laws to the county commissioners for nonpayment of taxes, or in case a lien for such unpaid installment or installments is filed under existing laws in the office of the prothonotary, in which case the additional penalty or interest provided for by the existing return and lien laws shall apply. A taxpayer who is delinquent by more than ten

days on more than two installment payments shall be ineligible for the installment payment option in the following school fiscal year.

(d) Notice.--A board of school directors of a school district to which this section applies shall annually set forth information regarding the payment of school real property taxes in installments and the dates on which such payments are due or delinquent on the tax notice sent to a homestead or farmstead property owner.

Section 1503. Collection of installment payments of school real property taxes.

(a) Contract.--

(1) A school district may contract with a tax bureau independent of the school district for collection of installments under this section. A tax bureau may contract with more than one tax collector. The tax collector shall be paid such commissions or compensation at the same rate on installment payments as is paid for the collection of taxes generally. Such commissions or compensation shall be paid by proper orders drawn on the school district. Every tax collector shall be responsible and accountable to the school district for all such taxes collected by the tax collector, and the final accounts and records, returns and payments and duplicates shall be audited annually in the year in which the installments are collected in like manner and in accordance with the laws pertaining to tax collections.

(2) Nothing in this act should be construed to alter any existing tax collection arrangement unless deemed appropriate by the school district or as otherwise provided for under this section.

(b) Authorization.--A board of school directors may authorize the collection of installment payments:

(1) Through electronic fund transfers through the Federal Reserve Bank's Automated Clearing House. Electronic fund transfers shall be a debit to the taxpayer's account to the school district's depository bank account at the option of the taxpayer.

(2) By a credit card payment which shall be made through the school district's depository bank or another bank designated by the board of school directors. The board of school directors shall also designate the credit card type that may be utilized for installment payment collection.

Section 1504. Assignment of installment claims.

(a) Initial assignment.--A taxing district may assign some or all of its installment claims, either absolutely or as collateral security, for an amount to be determined by the taxing district and under such terms and conditions upon which the taxing district and the assignee shall agree in writing and shall be approved by resolution of the taxing district. An installment claim may be assigned whether or not any installment thereunder has become delinquent. Upon such an assignment, the following shall apply:

(1) Assignment shall not be deemed a discharge or satisfaction of the installment claim or the taxes giving rise to the installment claim, and any lien of the assigned installment claim and taxes giving rise to the installment claim shall continue in favor of the assignee.

(2) The assignee shall have and enjoy the same rights, privileges and remedies as were held by the taxing district

with respect to the assigned installment claim and the tax giving rise to the claim under the provisions of the act of May 25, 1945 (P.L.1050, No.394), known as the Local Tax Collection Law, or any other laws applicable to the collection and enforcement of tax claims.

(3) An assignment of an installment claim under this section shall be deemed, unless otherwise provided in writing, an assignment of applicable claims and liens arising with respect to such installment claim under section 33 of the act of May 16, 1923 (P.L.207, No.153), referred to as the Municipal Claim and Tax Lien Law, and section 316 of the act of July 7, 1947 (P.L.1368, No.542), known as the Real Estate Tax Sale Law.

(4) If the instrument of assignment so provides and contains or provides for the delivery of an extract from the duplicate of the information pertaining to the assigned installment claims, the assignee exclusively shall have the rights and duties of the tax collector under the Local Tax Collection Law with respect to the assigned installment claims and shall be deemed to be acting pursuant to the warrant provided in section 5 of the Local Tax Collection Law, provided that the assignee shall not be entitled to any commission or salary in such capacity and shall not be subject to sections 4 and 16 of the Local Tax Collection Law.

(5) An owner of property shall have the same rights and defenses under this act and any other law applicable to the collection and enforcement of tax claims that the owner held against the assignor.

(6) References in the Local Tax Collection Law to a taxing district with respect to an installment claim shall be deemed to be references to the assignee of the taxing district with respect to assigned installment claims except for references to any actions taken by the taxing district before the assignment.

(b) Further assignment.--An installment claim assigned pursuant to this section may be further assigned, with the subsequent assignee having and enjoying the same rights, privileges and remedies as its assignor.

Section 1505. Considering increase in compensation of tax collector.

(a) Request.--Within 15 days of a board of school directors' adoption of a resolution under section 1502, the tax collector in the school district may, by sending a certified letter, request that the school district consider increasing the compensation of the tax collector to account for any increased administrative costs incurred by the tax collector. Within 45 days of receiving such letter, the school district shall consider the request.

(b) Permission.--Within 15 days of a board of school directors' adoption of a resolution under section 1502, the school district may, by sending a certified letter, inform the tax collector that tax collector compensation may be adjusted for installments until January 31, 2009. Within 45 days of sending the letter, the school district shall consider any adjustment.

CHAPTER 17

TASK FORCE ON SCHOOL COST REDUCTION

Section 1701. Scope of chapter.