

October 17, 2011

**IN RE: JUNE WATERS-BEY
DOCKET NO: 36REINPZZ3031**

STATEMENT OF RECORD:

1. June Waters-Bey (hereafter "Petitioner") filed a Petition for Appeal of interest and penalty accrued against delinquent Real Estate taxes for the property at 5321 Race St. Philadelphia, Pa. This petition was filed with the Tax Review Board (TRB) on March 14, 2008.
2. A public hearing was scheduled for June 5, 2008 and continued at Petitioner's request.
3. A public hearing was scheduled for December 4, 2008 before a TRB Master. The decision of the Master, as ratified by the TRB, was to deny the petition.
4. Petitioner requested and was granted a rehearing before the full TRB.
5. A public hearing was scheduled for October 15, 2009 and continued at the hearing to allow Petitioner time to provide additional documentation.
6. A public hearing was scheduled for September 30, 2010 and continued at Petitioner's request.
7. A public hearing was scheduled for March 22, 2011. At the close of the hearing, the TRB announced its decision to abate 30% of the accrued interest, 100% of the accrued penalty and to allow 90 days to enter into an installment agreement with the Department of Revenue. The TRB letter with this decision was mailed March 23, 2011. At Petitioner's request, an amended decision letter granting an extension???? was mailed May 13, 2011.
8. Petitioner appealed to the Philadelphia Court of Common Pleas.

FINDINGS OF FACT:

1. Petitioner filed a Petition for Appeal requesting waiver of interest and penalty accrued against delinquent Real Estate taxes for the tax years 1991 through 2006 for the property at 5321 Race St. Philadelphia, Pa.
2. The tax principal due for the years 1991 through 2006 was \$8,004.66, with interest of \$8,157.08 and penalty of \$560.89 as of the TRB hearing date, lien charges of \$310 and legal fees of \$3,625.87, for a total due of \$20,658.50.
3. Petitioner owned this property and several other properties in Philadelphia jointly with her husband. By the time of the hearing, Petitioner and her husband were divorced. She testified that after originally purchasing the properties she had believed that her husband was taking care of the properties, including the tax payments. Petitioner learned that the taxes had not been paid when the mortgage holder moved to foreclose on the property subject to this appeal and at least 2 other properties.
4. The multiple properties went into mortgage foreclosure in 2001 through a sheriff's sale. At that time, Petitioner believed she and her husband no longer owned the property.

5. Several years later, Petitioner learned that the sheriff's sale was never completed and Petitioner and her husband remained the property owners.
6. During the years between the sheriff's sale and when Petitioner learned the sheriff's sale was never completed, the Real Estate taxes continued to accrue.
7. The City confirmed that Petitioner had made substantial downpayments and was in active payment agreements for delinquent Real Estate taxes for two other properties.
8. At the time of the hearing, the property was vacant and in need of rehabilitation.
9. Petitioner filed for Chapter 13 bankruptcy around 2003 but the property delinquencies were not paid at that time.
10. Petitioner was unemployed at the time of the TRB hearing.

CONCLUSIONS OF LAW:

The Philadelphia Code Chapter 19-1705(2) provides that "(u)pon the filing of any petition for the waiver of interest and penalties accruing upon any unpaid money or claim collectible by the Department of Revenue, for or on behalf of the City or the School District of Philadelphia, the Tax Review Board may abate in whole or in part interest or penalties, or both, where in the opinion of the Board the petitioner acted in good faith, without negligence and no intent to defraud."

It was the finding of the Tax Review Board that Petitioner met the above Philadelphia Code standard. For several years, Petitioner believed she no longer owned the properties. She came forward to pay the delinquencies for this and other properties after discovering that she was still the owner.

By the time she discovered she and her husband were still the property owners, she was divorced and she was unemployed. Despite these personal obstacles, Petitioner had still come forward to pay the delinquent taxes.

The City representatives provided information that she was in an active payment agreement for at least 2 other properties. Petitioner testified as to her active efforts to bring all of her properties into compliance with the city.

Therefore the decision of the Tax Review Board was to abate 30% of the interest, 100% of the penalty and to allow 90 days to enter into a payment agreement for the balance.

Concurred:

LaVon Wells-Chancy, CPA
George Mathew, CPA
Joseph Ferla
Nancy Kammerdeiner