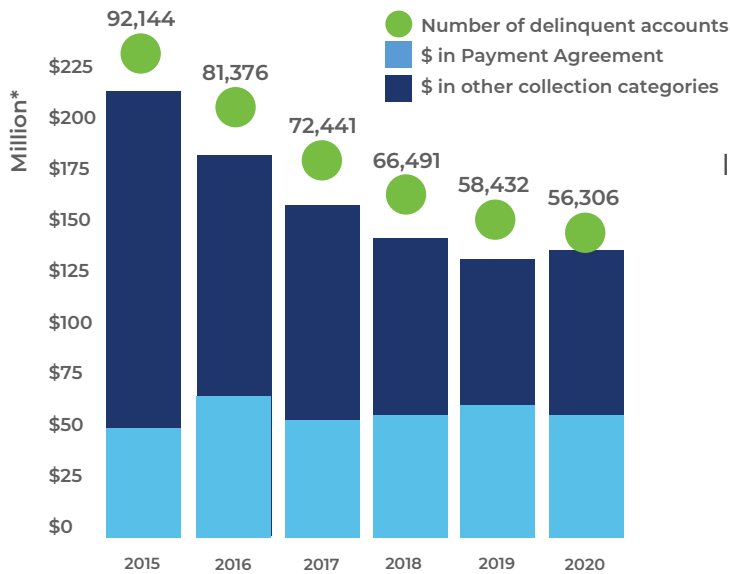


Real Estate Tax delinquency grew in FY20

The amount of delinquent Real Estate Tax increased in Philadelphia from FY19– FY20, despite a decrease in the number of delinquent accounts. Prior to the pandemic Philadelphia continued a trend of economic growth. The sudden onset of the COVID-19 pandemic required

Revenue to suspend some enforcement activities and adapt day-to-day operations to ensure the health and safety of taxpayers and employees. In response to the pandemic, Revenue is focused on compassionate enforcement and expanded customer service.

How are our collection efforts going?



Increase in active principal from 2019 to 2020

In response to the COVID-19 pandemic Revenue:

- Compiled all tax guidance and deadline changes into one convenient webpage
- Piloted a new SMS texting service to alert taxpayers of their payment agreement application status
- Implemented a virtual call center and resumed email correspondence with taxpayers
- Established protocols for in-person payment appointments at the Municipal Services Building in Center City
- Expanded outreach for assistance programs for Chinese and African immigrant communities

*Includes Active Periods only

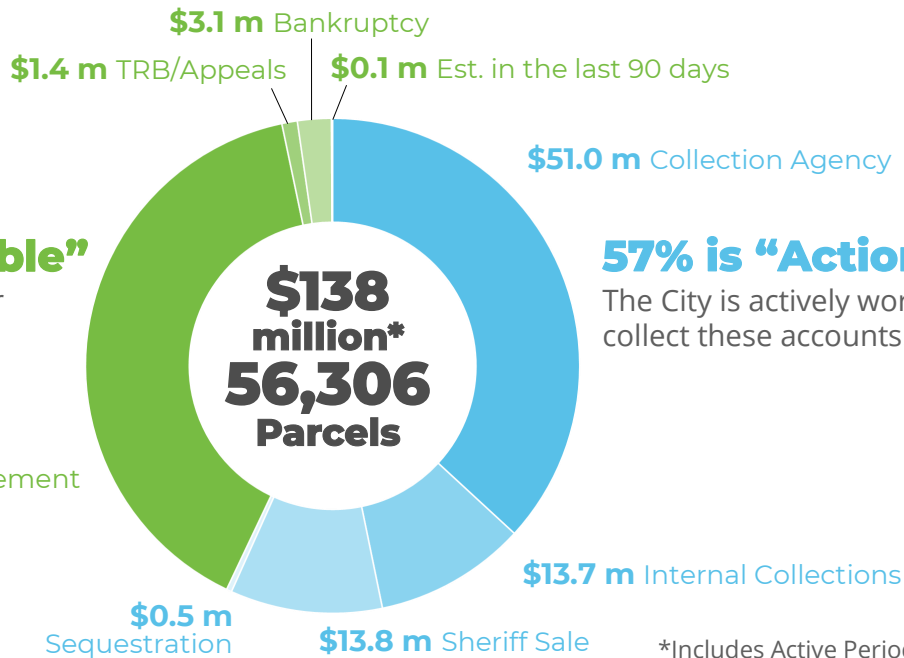
How do we collect delinquent balances?



More than 10,500 accounts are enrolled in a payment agreement eligible for penalty & interest forgiveness

43% is “Non-actionable”

These accounts require no further action on the part of the City or the City is barred from collection.



57% is “Actionable”

The City is actively working to collect these accounts.

*Includes Active Periods only

Who is delinquent?

Owner Location



Of Delinquent Accounts*:

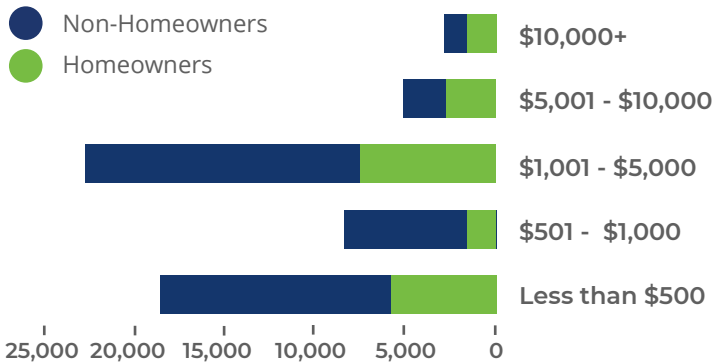
- 22%** Had delinquent balances in 2020 only. 90% of these accounts paid on time last year.
- 58%** Had delinquent balances in 2020 and prior years
- 20%** Had balances prior to 2020 only. Nearly a third of these accounts had balances older than 5 years only.

*Includes Active and Inactive Periods

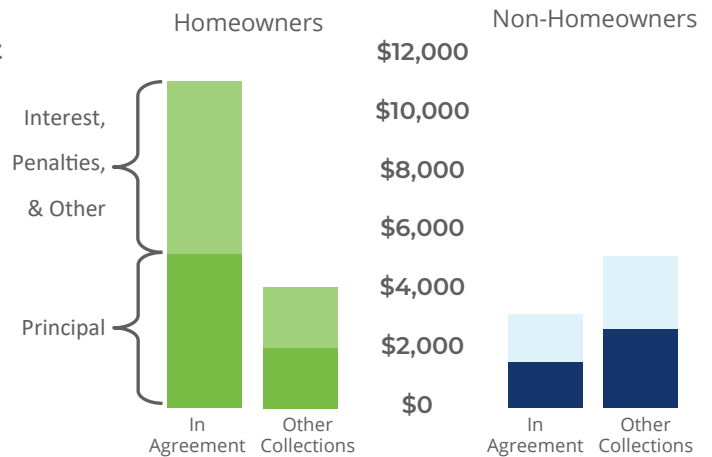
How much are the individual debts? -

3 out of 10 delinquent properties owe less than \$500.*

Number of Delinquent Accounts by Principal Amount



Average Delinquent Balance



* Includes Active and Inactive Periods

The Numbers by City Council District

Council District	Number of Delinquent Accounts*	Total Principal Due	Principal Balance Change from 2019	Average Principal Balance	Number of Owner-Occupied Accounts	Percent of Accounts in a Payment Agreement
1	3,667	\$13,802,693	↑28%	\$3,764	1,286	24%
2	5,020	\$15,612,495	↑12%	\$3,110	1,774	27%
3	8,517	\$24,296,773	↓-3%	\$2,853	3,277	29%
4	6,043	\$19,548,131	↓-3%	\$3,235	2,371	29%
5	10,213	\$22,822,307	↑10%	\$2,235	2,505	19%
6	1,793	\$6,739,799	↑8%	\$3,759	827	27%
7	8,690	\$16,776,704	↓-3%	\$1,931	2,435	22%
8	9,219	\$31,199,109	↓-6%	\$3,384	3,442	29%
9	3,512	\$14,492,771	↔0%	\$4,127	2,035	40%
10	1,032	\$4,770,465	↑5%	\$4,623	594	26%
Undefined	53	\$222,733	↑79%	\$4,203	0	0%

* Includes Active and Inactive Periods

What are Revenue's next collection strategies?

In Fiscal Year 2021, the City is:

Improving accessibility to taxpayer resources where in-person connections are not currently possible. This includes expanding outreach to immigrant communities through social media and other digital means.

Focusing on compassionate enforcement to address the financial hardships faced by many Philadelphia taxpayers. These efforts include flexible payment options and waiving late fees for payments.

Beginning project work on the new tax system of record which will improve collection and billing capabilities, and make applying for Real Estate Tax assistance easier.

Notes about this data:

This report uses data current through June 2020. Amounts in this report refer to principal due for active and inactive periods. Active periods refers to periods after January 1, 2010. Older debts, including interest, penalties, and other fees are much less likely to be collected and are often reduced or waived if and when payment occurs. Presenting the active principal delinquency reflects reasonable expectations for collection.

Active delinquent balances also include properties that are currently under appeal. These accounts may have adjustments to principal balance at a later date.



CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE