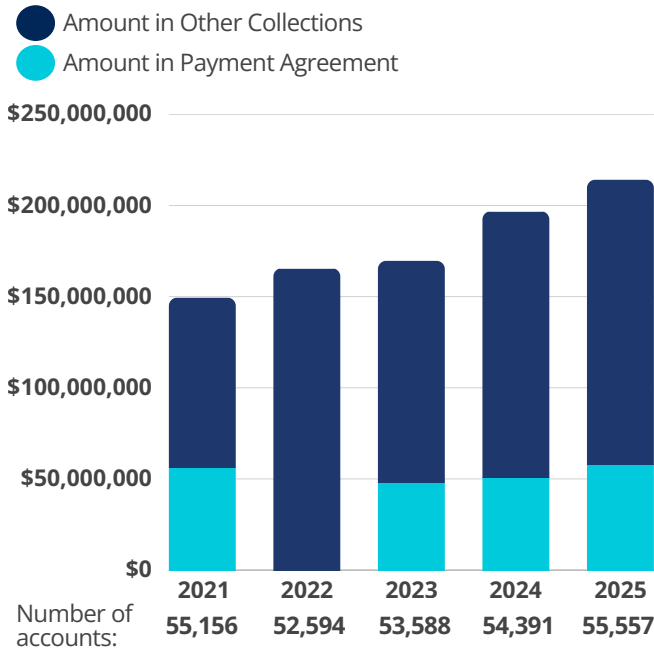


REAL ESTATE TAX DELINQUENCY GROWS IN FY2025

TOTAL ACTIVE PRINCIPAL REAL ESTATE TAX DEBT*

*Payment agreement data is not available for 2022



The amount of Real Estate Tax delinquent principal increased by 9% in FY25 compared to FY24, driven by growth of billing, increased appeals, and higher numbers of taxpayers entering into payment agreements.

Both the number of accounts and the delinquent amounts in payment agreements rose by 10% and 13%, respectively.

Revenue is optimistic that continued enforcement activities including Sequestration and Sheriff Sale will encourage more property owners to enter into payment agreements.

High rates of assessment appeals for Real Estate Tax contributes to this increase. These debts are often not paid while taxpayers await results.

To prevent future delinquency, Revenue continues strong outreach to promote Real Estate Tax assistance programs that help reduce the tax burden for property owners.

▲ 9%

Increase in delinquent principal from FY24 - FY25

▲ \$17m

Increase in delinquent principal from FY24 - FY25



THE COLLECTION PIPELINE

LEGEND

“Actionable” Total: \$143.7m

The City is using various enforcement strategies to collect these debts

Internal Collections \$29m 20%

These accounts receive regular bills and notification of balances.

Collection Agency \$92.8 65%

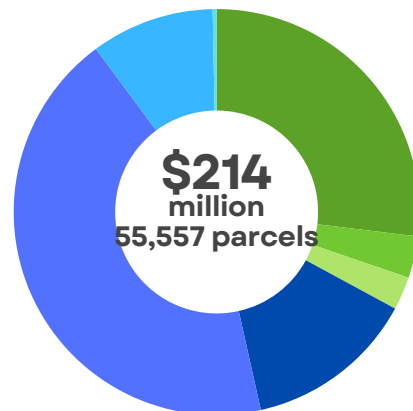
Outside collection agencies expand Revenue’s capacity to bring taxpayers into compliance, either through full payment or by entering into a payment agreement.

Sheriff Sale \$21m 14.5%

Although Sheriff Sale is an enforcement strategy of last resort, it often spurs taxpayer action.

Sequestration \$673k .5%

For rental properties, sequestration helps protect existing tenants from displacement.



“non-Actionable” Total: \$70.4m

The City is barred from collection on these accounts, or the debt is in a payment agreement.

Payment Agreement \$57.6m 27%

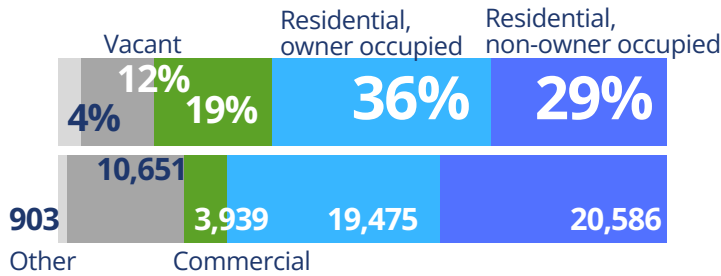
Under Appeal \$7.1m 3%

Bankruptcy \$5.7m 3%



THE NUMBERS BY BUILDING CHARACTERISTIC

PERCENTAGE OF TOTAL DOLLAR AMOUNT OF DEBT & COUNT OF PROPERTIES



85%
of properties have a Philadelphia mailing address. Out-of-state and PA mailing addresses are each

8%

\$176.5m
amount of delinquency from Philadelphia owners*

\$16.7m Out-of-State owners
\$16.2m PA, non-Philadelphia

*Omits unclassified properties



THE NUMBERS BY COUNCIL DISTRICT*

Council District	Number of Delinquent Accounts	2025 Total Principal Due	Average Principal Balance	Percent of Accounts in Payment Agree.	Change in balance 2019 to 2025	2019 Principal Due
1	3,757	\$25,608,946	\$6,816	18%	↑138%	\$10,778,645
2	5,076	\$23,322,875	\$4,595	19%	↑56%	\$14,996,568
3	7,631	\$25,931,288	\$3,398	22%	↓10%	\$28,862,676
4	5,517	\$18,198,816	\$3,299	22%	↓15%	\$21,421,679
5	9,460	\$31,438,747	\$3,323	14%	↑22%	\$25,683,477
6	1,849	\$8,905,271	\$4,816	20%	↑42%	\$6,286,382
7	8,526	\$19,575,253	\$2,296	14%	↓1%	\$19,704,794
8	8,250	\$29,871,954	\$3,621	23%	↓16%	\$35,735,871
9	3,657	\$15,996,007	\$4,374	31%	↑6%	\$15,160,348
10	1,186	\$7,789,920	\$6,568	23%	↑73%	\$4,514,084

*Omits unclassified properties



WHAT ARE REVENUE'S NEXT COLLECTION STRATEGIES?

The Department continues to improve customer service, making it easier for taxpayers to enter into payment agreements and get into compliance, as well as continue our robust outreach efforts to homeowners about Real Estate Tax programs.

In FY26 we provided a self-service payoff tool for title companies, as well as launched a combined application for Real Estate Tax assistance programs, easing enrollment for eligible households.

However, as the number of appeals grow from upcoming assessments, the Department anticipates debt will also continue to accrue. As these appeals are resolved, Revenue will adjust the debt or it will move into the City's collection pipeline.

Notes about this data:

This report uses data current through June 2025. Amounts in this report refer to principal due for active periods after January 1, 2015. Older Real Estate Tax debts are more difficult to collect, thus presenting the active principal debt 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.

