



THE PORTNOFF REPORTER

FALL 2019

Portnoff Law Associates Celebrates 30 Years Representing Municipal Clients



Portnoff Law Associates is proud to be celebrating its 30th anniversary! In 1989, firm founder Michelle Portnoff created the Pennsylvania law firm with a practice limited to the collection of delinquent municipal user fees and real estate taxes. The firm started with just three employees representing five municipalities. Portnoff now employs a staff of more than 70, including 17 attorneys. The size and collective experience of our staff allows us to manage all aspects of the debt collection process, including setting up and monitoring payment plans, establishing a hardship program for property owners in need, and handling complex litigation and bankruptcy matters. As the firm's expertise and reputation began to grow, so did its client base. In the second edition of The Portnoff Reporter issued five years ago, we proudly announced that the firm had reached its 100 client mark. A big step from our initial five clients! Today, at our 30th anniversary, Portnoff currently collects delinquent accounts for over 145 municipalities, school districts and municipal authorities across 23 Pennsylvania counties.

We have enjoyed representing our clients for the past 30 years. With the continued goal of helping municipal clients maximize their delinquent collections while providing first-rate customer service to their residents, we look forward to helping our current clients, and new ones, over the next 30 years!



PORTNOFF
LAW ASSOCIATES, LTD.

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THE PORTNOFF REPORTER

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In Person

September 2019

September 10

Attorney Kevin Buraks presented a seminar titled “Strategic Recovery of Delinquent Accounts” at the Pennsylvania Municipal Authorities Association (PMAA) 2019 Annual Conference at the Kalahari Resort in Pocono Manor, PA.

October 2019

October 3

Attorney Buraks will be joining a panel to discuss tax collection options for public school districts at the Delaware Valley Association of School Business Officials (DVASBO) fall conference in the Poconos.

October 8

Firm President Michelle Portnoff is being interviewed by Executive Leaders Television on October 8th to highlight her career and the success of Portnoff Law Associates. This piece will air on Executive Leaders Television’s YouTube channel and be posted on Portnoff’s website.

October 11

Attorney Buraks also will be participating in the Pennsylvania Association of School Business Officials (PASBO) Taxation Symposium at the PASBO offices in Harrisburg. He will be discussing strategies to improve delinquent tax collections.

October 16-18

Portnoff Law Associates will be attending the Pennsylvania School Boards Association (PSBA) annual conference at the Hershey Lodge. Please stop by our booth (#328) or our hospitality suite for dessert and drinks on Thursday, Oct. 17 from 9:00 p.m. to midnight in Cocoa Suite 6. We hope to see you there!

If you are interested in having Portnoff Law Associates present at your next conference or event, please contact us at (800) 561-7989.

Local Event Idea



Downtown Easton, PA
November 2-3

Located in historic Easton, the annual PA Bacon Fest has grown into one of the Lehigh Valley’s most popular events. It features over 150 vendors, 12 musical acts, hog-calling and bacon-eating competitions, bacon and beer pairings, and every bacon-topped treat that you can imagine. PA Bacon Fest was named in 2019 as one of Parade’s “5 Can’t-Miss Bacon Festivals” in the country, and named one of the top 300 festivals in the world by Fest300.com in 2014. This event runs each day from 10:00 a.m. to 6:00 p.m. and there is a \$2 suggested donation at the festival gates. For more information, go to: <https://pabaconfest.com/>.

Note of Appreciation

Portnoff Law Associates frequently receives thank you notes from property owners who appreciate the professional manner and courtesy with which they were treated during the collection process. The following is a recent note that we received:

I am commending your associate Andrew. He was so very kind, helpful and patient with me. Without his assistance I would not have been able to process my payment. Please acknowledge his expertise in service and his knowledge.

A property owner from
Shenandoah, PA

By The Numbers

While Portnoff Law Associates is known for its customer service and success bringing in revenue by collecting delinquent real estate taxes and municipal claims like trash, water and sewer fees, many do not realize that Portnoff’s efforts can affect the way that property owners pay their future bills. Here is a number that we thought might catch your attention:

70 %

This figure represents the percentage of Portnoff clients (that make a single annual turnover of accounts) that saw a reduction in the number of delinquencies from 2018 to 2019. What this means is that as a result of our efforts on the delinquent side, 70% of Portnoff’s single annual turnover clients saw a decrease in the number of property owners that were delinquent the following year. This means more revenue for your current collections and more predictable budgeting going forward!

Legal Update

Tax Collection Options

MCTLA: Municipal Claims and Tax Liens Act

There are many instances where Pennsylvania municipalities and school districts are faced with one-size-fits-all mandates that dictate how they are required to operate.

Fortunately, the collection of delinquent real estate taxes is not one of them. Pennsylvania municipalities and school districts have the ability to choose not only who will collect their delinquent taxes, but also the laws under which collections can be made. Most municipalities, by default, have their delinquent taxes collected by the county tax claim bureau over a two to three year process, but there may be a quicker and more effective option.

Private collectors, like Portnoff Law Associates, can collect delinquent taxes under a different law than is available to the county tax claim bureau. That law, the Municipal Claims and Tax Liens Act (or MCTLA), allows the municipality to initiate collection activity within the first year of delinquency, in order to incentivize quicker payment. The MCTLA also allows the municipality to shift all collection costs to the delinquent taxpayer. This cost shifting not only creates strong incentive for taxpayers to pay off their delinquent accounts quickly, but it allows the municipality to hire a private collector at minimal expense. By charging delinquent taxpayers the costs of collection, those residents who timely pay their bills will no longer be forced to shoulder the burden of the additional expense created by taxpayers who choose not to pay. Shifting collection costs also creates strong incentive for taxpayers to pay both their delinquent taxes and current tax bills on time, as the lesson will be learned the first time a taxpayer is required to pay additional funds to satisfy a delinquent bill, leading to lower delinquency rates going forward.

Using the MCTLA to collect delinquent real estate taxes also provides the municipality with increased local control, allowing it to provide more payment options to taxpayers through payment plans and a hardship problem. Money collected can be remitted weekly to the municipality, and subsequent to the filing of a lien, interest begins to accrue on the principal balance at a rate of 10% per annum, providing the municipality with valuable compensation for the time value of the money lost during non-payment.

Contact Portnoff Law Associates today to learn about the benefits of collecting delinquent real estate taxes under the MCTLA.

Employee Spotlight

James Wood, Esquire



For the past nine years, attorney James Wood has worn several important hats at Portnoff Law Associates. James actively works with the firm's in-house counsel to ensure that the firm stays in compliance with the ever changing laws concerning municipal collections. Within the firm, his legal research is considered second-to-none. James also oversees the firm's bankruptcy department.

When asked what he enjoys most about his work, James stated that he "finds it rewarding to decode the ways in which complex and often abstract statutory law applies to municipalities' practical efforts to collect their delinquent accounts." Through careful research and the drafting of policies and procedures, James works to ensure that the most efficient procedures are utilized that comply with all applicable federal, state, and local regulations. With regard to his bankruptcy work, James notes that "a bankruptcy filing throws a wrench into a creditor's attempts to collect by putting a stop to any state law collection efforts and forcing all efforts to be channeled through the bankruptcy case. I work to ensure that a property owner's bankruptcy filing does not jeopardize the municipality's claims and that it receive all payments that it is entitled to under the Bankruptcy Code." In a recent case, James successfully argued to the court that the debtor could not lower the post-filing interest rate to be used for real estate tax claims below what the taxing district was entitled to under Pennsylvania law.

James received his undergraduate degree in computer science and history from the University of Delaware and his law degree from Villanova University. He is an active member of the Montgomery County Bar Association. Outside of work, James enjoys sports, reading, and going to the movies and live theatre.

Hiring Portnoff

Portnoff Law Associates represents over 145 municipalities, school districts and municipal authorities across 23 Pennsylvania counties. Portnoff's proven collection process can be tailored to meet your specific collection needs, and we are available to meet with you to discuss the benefits of our services. If you are interested in learning more about how Portnoff can help maximize your delinquent collections at minimal cost to your municipality, please contact us at (800) 561-7989 or sanderson@portnoffonline.com.



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**CONTACT PORTNOFF LAW ASSOCIATES TODAY TO HELP BRING IN MORE DELINQUENT REVENUE WHILE PROVIDING ENHANCED PAYMENT OPTIONS AND CUSTOMER SERVICE TO YOUR PROPERTY OWNERS!
SEE INSIDE: LEGAL UPDATE ON TAX COLLECTION OPTIONS**

With 30 years of municipal collection experience, Portnoff Law Associates represents over 145 municipalities, school districts and municipal authorities across Pennsylvania in the collection of delinquent:

- Real Estate Taxes
- Abatement of Nuisance Fees
- Water Bills and Tapping Fees
- Trash Fees
- Sewer Fees
- Stormwater Fees



Michelle Portnoff, President
Portnoff Law Associates

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