



THE PORTNOFF REPORTER

SPRING 2024

BRINGING IN REVENUE FOR OUR MUNICIPAL CLIENTS FOR THE PAST 35 YEARS



This year marks the 35th anniversary of Portnoff Law Associates! In 1989, firm founder Michelle Portnoff created our firm with the goal of establishing a practice limited to representing municipal clients in the collection of delinquent real estate taxes and utility fees. PLA started with just three employees representing five municipalities. As the firm’s expertise and reputation began to grow, so did its client base! On the firm’s 25th anniversary, the firm proudly reached the 100-client mark. On our 30th anniversary, we represented 150 clients in 23 counties. Now, on our 35th anniversary, PLA represents over 200 municipal clients in 29 Pennsylvania counties. From our humble beginnings with just three employees, Portnoff now employs a staff of more than 85, including 24 attorneys!

The key to PLA’s success is that we work hard to provide excellent customer service to not only our clients, but to our clients’ constituents. To help facilitate payment of their delinquent accounts, we provide property owners with multiple options to make payment, including flexible payment plans and a hardship program, along with the ability to look up balances and make payment online through PLA’s website. Property owners who interact with our office can expect to be treated with kindness and respect. This is the reason that PLA receives thank you notes from property owners whose debts we are collecting.

We have enjoyed collecting delinquent accounts for our municipal clients over the past 35 years and are excited to continue working hard to bring in needed revenue for our current clients, and future ones, over the next 35 years!

Hello Lebanon and Mifflin Counties!

Portnoff Law Associates is excited to have its first clients in Lebanon and Mifflin Counties! PLA was hired by the South Londonderry Township Municipal Authority in Lebanon County to collect its delinquent sewer fee accounts, and by Lewistown Borough in Mifflin County to collect its delinquent real estate taxes. Portnoff Law Associates now collects delinquent accounts across the state in 29 Pennsylvania counties.



PORTNOFF
LAW ASSOCIATES, LTD.

In This Issue

In Person	2	Legislative Update.....	3
Employee Spotlight.....	2	New Clients	2
Hiring Portnoff.....	3	Notes of Appreciation	2

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THE PORTNOFF REPORTER
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In Person

Apr
2024

Portnoff attorney Kevin Buraks will be presenting an education session at the Pennsylvania State Association of Township Supervisors (PSATS) Annual Conference at the Hershey Lodge on April 15 at 4:15 p.m. on the topic: “A Guide to Outsourcing Delinquent Collections.”

May
2024

Attorney Buraks will be speaking to the Capital Region Council of Governments concerning the collection of delinquent accounts on May 8, and to Chester County public school district business managers at the Chester County Intermediate Unit on May 9.

PLA attorneys Jason Leininger and Kevin Buraks will be presenting a session at the GFOA-PA Annual Conference at the Hershey Lodge on May 20 at 4:10 p.m. titled: “The Secret to Successfully Collecting Delinquent Accounts.”

If you are interested in having Portnoff Law Associates make a presentation at your next conference or event, please contact us at (484) 690-9332.

New Clients

PLA was hired by 9 new clients in 2023:

Altoona Water Authority
Apollo-Ridge School District
Commodore Perry School District
Lower Allen Township
Lower Allen Township Stormwater Authority
New Hanover Township Authority
Northeastern Schuylkill Joint Municipal Authority
Upper Merion Township
Upper Providence Township

Notes of Appreciation

Portnoff Law Associates not only receives thank you notes from property owners who appreciate the professional manner and courtesy with which they were treated during the collection process, but also title insurers and closing agents who depend on PLA to provide payoff information on delinquent accounts. The following are notes of appreciation that PLA recently received:

“Thank YOU!! We seriously appreciate you so much.”

A closing coordinator
from Moon Township, PA

“You so rock!!”

A title insurer from
Harrisburg, PA

“You guys are great to deal with from my 40-year perspective of this business.”

A title insurer from
Reading, PA

Employee Spotlight

Jeff Kelly, Esquire

Attorney Jeff Kelly joined Portnoff Law Associates in 2009 and is the team attorney for the firm’s clients in Carbon, Lehigh, Northampton, Schuylkill and Susquehanna Counties. Jeff enjoys all things sports - especially the Philadelphia Phillies, Philadelphia Eagles, Big 5 basketball, University of Notre Dame football and golf. He attended the championship parades for the Phillies and Eagles and is hoping to attend another championship parade sooner rather than later!

Jeff currently resides with his wife and sons in Delaware County, where he grew up and attended the Haverford Township School District public schools. He enjoys working at Portnoff Law Associates because he believes in a strong public education system.

Jeff is an avid baseball fan and was formerly an assistant baseball coach at his alma mater, Haverford High School. He is looking forward to coaching his five-year old son in baseball this upcoming spring.

Jeff graduated cum laude from the University of Pennsylvania in 2003 with a B.A. in economics and received his J.D. from the Villanova University School of Law in 2008. While attending law school, Jeff volunteered with VITA (Volunteer Income Tax Assistance), a program that assists low-income taxpayers prepare their tax returns.

Legislative Update

SB 1049 **Constitutional** **Amendment to** **Eliminate School** **Property Taxes**

Senate Bill 1049 is legislation introduced by State Senator John DiSanto to eliminate school property taxes. The Bill was referred to the State Government Committee on February 2, 2024. In the Bill's Memorandum, Senator DiSanto states: "We will soon reintroduce a constitutional amendment to end the imposition of school property taxes and compel this General Assembly to enact a more equitable alternative to fund public education. The people of Pennsylvania have spoken forcefully at town hall meetings as well as in the voting booth about the need to eliminate this archaic and unfair tax."

This is not the first time that legislation has been proposed to eliminate school real estate taxes. Given that school taxes are typically the highest property taxes that Pennsylvania residents pay, there will always be political appeal to propose the reduction or elimination of this tax. SB 1049 provides: "No school district may levy a tax on real property after June 30, 2026." Unlike prior bills, SB 1049 does not provide a specific calculation of the method by which Pennsylvania schools will be funded after school taxes are eliminated. Rather, the Bill states that "[t]he General Assembly shall, by general law, provide annually each school district with maintenance and support in an amount at least equal to the real property tax collected by the school district on real property during the fiscal year ending June 30, 2026, less the annual debt service legally obligated to be paid by the school district during the fiscal year ending June 30, 2026."

It appears that the drafters of SB 1049 are attempting to garner support for the Bill by promising school districts that they will receive the same amount of funding from the state as they had through local taxation. This promise appears to fly in the face of the recent Pennsylvania Commonwealth Court decision in the school funding lawsuit that found that "[s]tudents who reside in school districts with low property values and incomes are deprived of the same opportunities and resources as students who reside in school districts with high property values and incomes." The Commonwealth Court ruled: "As a result of these disparities, petitioners and students attending low-wealth districts are being deprived of equal protection of law." With the promise of receiving at least the same funding as before the tax elimination, the State is now guaranteeing the disproportionate funding of school districts based on their wealth and the State will now be the direct source of such funding.

To obtain school funding outside of property taxes, SB 1049 provides that the maintenance and support of school districts may include, but need not be limited to:

- (1) A State tax on each separate sale at retail of tangible personal property or services in this Commonwealth.
- (2) A State tax on the receipt of income by every resident individual, estate or trust.
- (3) A local tax on the receipt of income by every resident individual, estate or trust.
- (4) A local tax on earned income and net profits.

SB 1049 is plagued with the same problem as prior tax elimination bills; namely, that the current funding method of local property taxes provides a much more stable and reliable source of funding than sales and income taxes, which fluctuate greatly based on economic conditions. Pennsylvania cannot afford to fund its school on unpredictable funding sources. Another issue with the Bill is that it will shift control of school funding to Harrisburg and away from local school boards, which are much better equipped to make funding decisions facing their own students and communities.

The Pennsylvania Association of School Business Officials (PASBO) opposes this legislation. If you have concerns that SB 1049 will negatively affect your school district, we recommend that you reach out immediately to your state senator and representative and ask them to oppose this legislation.

Hiring Portnoff

Portnoff Law Associates represents over 200 townships, boroughs, cities, school districts and municipal authorities across 29 Pennsylvania counties. PLA'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 PLA can help maximize your delinquent collections at minimal cost to your municipality, please contact us at (484) 690-9332 or at kburaks@portnoffonline.com.

PORTNOFF LAW ASSOCIATES HELPS ITS MUNICIPAL CLIENTS ACCELERATE THE COLLECTION OF THEIR DELINQUENT ACCOUNTS WHILE PROVIDING PROPERTY OWNERS WITH MORE PAYMENT OPTIONS AND FLEXIBILITY.

With 35 years of collection experience, Portnoff Law Associates represents over 200 municipalities, school districts and municipal authorities across 29 Pennsylvania counties in the collection of the following types of delinquent accounts:

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



Michelle Portnoff, President
Portnoff Law Associates

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