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Luzerne County's tax-claim agent says he's watching to make sure tax sales are not unduly hampered.

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Eight properties were pulled from this week's back-tax sale in Luzerne County because the owners filed for bankruptcy.

A flurry of bankruptcy filings is common before tax sales as people try to hold onto their properties, said John Rodgers, owner of Northeast Revenue Service LLC, the county's tax-claim operator.

Their only other options: pay up or convince a judge they deserve more time.

But Rodgers, an attorney, said his company is actively monitoring court cases to make sure properties aren't kept off sales by bankruptcy proceedings that are stale, expired or festering in court for an unreasonable length of time.

Bankruptcies were not actively monitored before his company took over tax claim operations in May 2010, he said.

"We have lawyers who specialize in all different aspects of bankruptcy. We've really taken an aggressive stance," Rodgers said.

For example, Northeast Revenue is seeking court approval to list property owned by the late Joseph Nowakowski in the Sept. 22 back-tax sale, Rodgers said.

A series of bankruptcy proceedings have kept the Nowakowski properties in Avoca, Hughestown and Duryea out of sales for years as hundreds of thousands of dollars in unpaid taxes racked up from 1996 to 2010.

“We got relief from bankruptcy court to sell them in the next sale,” Rodgers said.

Highest values

The two highest-valued properties removed from Wednesday’s sale are owned by Airport Office Complex Inc. – a commercial building on John Street, Pittston Township, assessed at \$917,800 and a former veterinary clinic on William Street, Avoca, assessed at \$246,100.

Airport Office owes \$167,147 in back taxes dating back to 2003 on the Pittston Township building and \$109,414 in back taxes for the same time period on the other building, county records show.

The bankruptcy paperwork was filed Tuesday, the day before the sale, by Airport Office President/Secretary Steven Yankowski.

It’s likely the properties would have sold Wednesday because bids started at \$657 for each property. Bids start low because Wednesday’s sale was for properties that didn’t sell at previous sales.

A single-family home and apartment building, both on North Main Street in Wilkes-Barre, were also removed from the sale when property owners Virgil and Victoria Argenta filed for bankruptcy on Aug. 1, records show.

The two properties had been listed because the Argentas owe a combined \$21,920 in school, county and local taxes from 2008 through 2010. Their bankruptcy filing states that \$33,126 in taxes is owed on 14 properties owned by the couple.

Hazleton resident David Satterfield filed for bankruptcy the day before the sale to keep a five-unit apartment building on Alter Street in the city out of the sale.

Henry Peshala, of Ashley, filed for bankruptcy the morning of the sale to keep his properties – both halves of a double-block on Sively Street – out of the sale. The properties were listed for auction because he owed \$6,773 in taxes from 2008 through 2010, records show.

The final bankruptcy was filed the day before the sale to keep a Nuangola property owned by Elizabeth Yeager out of the sale. A total \$5,686 in taxes is owed from 2008 through 2010 on the Nuangola Road home, which is assessed at \$125,600, records show.

High debtors

Two companies involved in lengthy bankruptcies – T. P. Corp. and 1950 Wyoming Ave Associates Inc. – are among the highest outstanding back-tax debtors in the county, according to county tax claim records.

T P Corp. owes \$184,927 in taxes dating back to 2006 on its industrial building on Foote Avenue in Duryea, records show. The company's bankruptcy was filed in September 2008, records show.

The bankruptcy trustee retained a Realtor and attempted to sell the property in 2009 but was unsuccessful due to "market conditions and other issues," a court filing said. The trustee filed a notice to abandon the property in November 2010 after discovering that the outstanding taxes and other debt exceeded the value of the property, the filing said. The property is assessed at \$1.1 million.

The 1950 Wyoming Ave company owes \$196,618 in taxes dating back to 2006 on its retail building on Wyoming Avenue in Exeter.

Paperwork from the bankruptcy action, filed in June 2008, says a Realtor was hired to try to sell

the property in January 2010. A different Realtor was hired this June, court records show.

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