

# HOUSE BILL 419

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3lr1740

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By: **Delegate Frick**

Introduced and read first time: January 28, 2013

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Personal Property Tax – Liens for Unpaid Tax**

3 FOR the purpose of requiring liens for unpaid tax on personal property to be recorded  
4 and indexed in the office of the clerk of the circuit court of a county where the  
5 tax is owed; providing that a lien for unpaid tax on personal property is  
6 subordinate to a certain security interest in personal property; and generally  
7 relating to liens for unpaid tax on personal property.

8 BY repealing and reenacting, with amendments,  
9 Article – Tax – Property  
10 Section 14–804 and 14–805  
11 Annotated Code of Maryland  
12 (2012 Replacement Volume)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article – Tax – Property**

16 14–804.

17 (a) All unpaid taxes on real property shall be, until paid, liens on the real  
18 property in respect to which they are imposed from the date they became or become  
19 payable.

20 (b) **(1) [All] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ALL**  
21 unpaid tax on personal property is a lien on the personal property and on the real  
22 property of the owner of the personal property in the same manner in which taxes on  
23 real property are now liens on the real property with respect to which they are  
24 imposed in all subdivisions of the **STATE**.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(2)** [State; provided that the] **A lien FOR UNPAID TAX ON PERSONAL**  
2 **PROPERTY** will attach to the real property **OF THE OWNER OF THE PERSONAL**  
3 **PROPERTY** only after the notice has been recorded and indexed among the judgment  
4 records in the office of the clerk of the circuit court in the county where the land lies,  
5 or is recorded and indexed on the tax rolls of the subdivision.

6           **(3)** Any subdivision, in lieu of recording in the appropriate court, may  
7 use a lien reporting system, and any subdivision so doing shall provide, on request, a  
8 lien report or memorandum with respect to any particular person.

9           (c) The county property tax deferred under § 10–201 of this article is a lien  
10 on the property for which the deferral was granted.

11           (d) The unpaid balance of a deferral granted under § 10–202 of this article is  
12 a lien on the property for which the deferral was granted.

13           **(E) A LIEN FOR UNPAID TAX ON PERSONAL PROPERTY SHALL BE**  
14 **RECORDED AND INDEXED BY EACH COUNTY AMONG THE JUDGMENT RECORDS**  
15 **IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT IN THE COUNTY WHERE**  
16 **THE TAX IS OWED.**

17 14–805.

18           (a) From the date property tax on real property is due, liability for the tax  
19 and a 1st lien attaches to the real property in the amount of the property tax due on  
20 the real property.

21           (b) [From] **EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,**  
22 **FROM** the date property tax on personal property is due, liability for the tax and a 1st  
23 lien attaches to the personal property in the amount of the property tax due on the  
24 personal property.

25           **(C) A LIEN ATTACHED IN ACCORDANCE WITH SUBSECTION (B) OF THIS**  
26 **SECTION SHALL BE SUBORDINATE TO A PURCHASE MONEY SECURITY INTEREST**  
27 **ON PERSONAL PROPERTY IF, PRIOR TO THE LIEN ATTACHMENT, THE PURCHASE**  
28 **MONEY SECURITY INTEREST WAS PERFECTED AND FILED IN ACCORDANCE WITH**  
29 **TITLE 9 OF THE COMMERCIAL LAW ARTICLE.**

30           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
31 June 1, 2013.