

# HOUSE BILL 446

Q1  
HB 125/13 – W&M

4lr1616

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By: **Delegate Stukes**  
Introduced and read first time: January 27, 2014  
Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Tax Sales – Reimbursement for Attorney’s Fees**

3 FOR the purpose of providing that a plaintiff or the holder of a certificate of sale in a  
4 foreclosure action may be reimbursed up to a certain amount for reasonable  
5 attorney’s fees for certain participation in a bankruptcy proceeding or for  
6 opening an estate for certain purposes; providing that a plaintiff or holder of a  
7 certificate of sale in a foreclosure action may be reimbursed up to a certain  
8 amount for certain expenses incurred for opening an estate for certain purposes;  
9 and generally relating to tax sales of property.

10 BY repealing and reenacting, without amendments,  
11 Article – Tax – Property  
12 Section 14–833(a) and (a–1)(1) and (3)(vi)4.  
13 Annotated Code of Maryland  
14 (2012 Replacement Volume and 2013 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Tax – Property  
17 Section 14–843(a)(4)  
18 Annotated Code of Maryland  
19 (2012 Replacement Volume and 2013 Supplement)

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

22 **Article – Tax – Property**

23 14–833.

24 (a) Except as provided in subsections (a–1), (e), (f), and (g) of this section, at  
25 any time after 6 months from the date of sale a holder of any certificate of sale may file

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 a complaint to foreclose all rights of redemption of the property to which the certificate  
2 relates.

3 (a-1) (1) The holder of a certificate of sale may not file a complaint to  
4 foreclose the right of redemption until at least 2 months after sending the first notice  
5 and at least 30 days after sending the second notice required under this subsection to:

6 (i) the person who last appears as owner of the property on the  
7 collector's tax roll; and

8 (ii) 1. the current mortgagee of the property, assignee of a  
9 mortgagee of record, or servicer of the current mortgage; or

10 2. the current holder of a beneficial interest in a deed of  
11 trust recorded against the property.

12 (3) The notices required under this subsection shall include at least  
13 the following:

14 (vi) a statement that if the property is redeemed after an action  
15 to foreclose the right of redemption has been filed, the amount that shall be paid to  
16 redeem the property is the sum of:

17 4. attorney's fees and expenses to which the holder of  
18 the certificate of sale may be entitled under § 14-843(a)(4) and (5) of this subtitle;

19 14-843.

20 (a) (4) If an action to foreclose the right of redemption has been filed, the  
21 plaintiff or holder of a certificate of sale may be reimbursed for:

22 (i) attorney's fees in the amount of:

23 1. \$1,300 if an affidavit of compliance has not been filed,  
24 which amount shall be deemed reasonable for both the preparation and filing of the  
25 action to foreclose the right of redemption; or

26 2. \$1,500 if an affidavit of compliance has been filed,  
27 which amount shall be deemed reasonable for both the preparation and filing of the  
28 action to foreclose the right of redemption;

29 **(II) REASONABLE ATTORNEY'S FEES, NOT TO EXCEED**  
30 **\$1,200, INCURRED BY THE PLAINTIFF OR HOLDER OF A CERTIFICATE OF SALE**  
31 **FOR THE PURPOSES OF DEFENSE IN A DEFENDANT'S BANKRUPTCY PROCEEDING**  
32 **OR FOR OPENING AN ESTATE FOR PURPOSES OF SERVICE OF PROCESS AND**  
33 **NOTICE ON A DEFENDANT'S ESTATE;**

1                    [(ii)] (III) in exceptional circumstances, other reasonable  
2 attorney's fees incurred and specifically requested by the plaintiff or holder of a  
3 certificate of sale and approved by the court, on a case by case basis; and

4                    [(iii)] (IV) if the plaintiff or holder of a certificate of sale provides  
5 a signed affidavit attesting to the fact that the expenses were actually incurred, the  
6 following expenses actually incurred by the plaintiff or holder of a certificate of sale:

7                    1. filing fee charged by the circuit court for the county in  
8 which the property is located;

9                    2. service of process fee, including fees incurred  
10 attempting to serve process;

11                    3. a title search fee, not to exceed \$250;

12                    4. if a second title search is conducted more than 6  
13 months after the initial title search, a title search update fee, not to exceed \$75;

14                    5. publication fee charged by a newspaper of general  
15 circulation in the county in which the property is located;

16                    6. posting fee;

17                    7. postage and certified mail;

18                    8. substantial repair order fee, not to exceed the fee  
19 charged by the government agency issuing the certificate of substantial repair; [and]

20                    **9. EXPENSES AND COSTS INCURRED FOR OPENING**  
21 **AN ESTATE OF A DECEASED DEFENDANT FOR PURPOSES OF SERVICE OF**  
22 **PROCESS AND NOTICE, NOT TO EXCEED \$1,200; AND**

23                    [9.] 10. any court approved expense for stabilization or  
24 conversion of the property under § 14-830 of this subtitle or in accordance with an  
25 action taken against the property by the county in which the property is located in  
26 accordance with the applicable building, fire, health, or safety codes.

27                    SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 July 1, 2014.