

HOUSE BILL 453

Q1

7lr1977

By: Delegates M. Washington, Anderson, Angel, D. Barnes, Barron, Brooks, Clippinger, Conaway, Cullison, Glass, Glenn, Hayes, Hettleman, Kelly, R. Lewis, Lierman, Luedtke, McIntosh, A. Miller, Morales, Patterson, Platt, and Rosenberg Rosenberg, Mosby, Tarlau, A. Washington, C. Howard, Walker, Ebersole, Hornberger, Wilkins, Ali, and Turner

Introduced and read first time: January 26, 2017

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 14, 2017

CHAPTER _____

1 AN ACT concerning

2 **Tax Sales – Water Liens – Moratorium**

3 FOR the purpose of prohibiting a tax sale of real property solely to enforce liens for unpaid
4 water, sewer, and sanitary system services during a certain period; ~~providing an~~
5 ~~exception to the prohibition on certain tax sales of real property; repealing a certain~~
6 ~~prohibition on certain tax sales made obsolete by this Act; making a technical~~
7 ~~change; defining a certain term~~; providing for the application of this Act; and
8 generally relating to tax sales of real property.

9 BY repealing and reenacting, without amendments,

10 Article – Tax – Property

11 Section ~~14–801(d), 14–808, and 14–849.1~~

12 Annotated Code of Maryland

13 (2012 Replacement Volume and 2016 Supplement)

14 ~~BY repealing and reenacting, with amendments,~~

15 ~~Article – Tax – Property~~

16 ~~Section 14–808~~

17 ~~Annotated Code of Maryland~~

18 ~~(2012 Replacement Volume and 2016 Supplement)~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~BY repealing~~

2 ~~Article – Tax – Property~~

3 ~~Section 14-849.1~~

4 ~~Annotated Code of Maryland~~

5 ~~(2012 Replacement Volume and 2016 Supplement)~~

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

8 **Article – Tax – Property**

9 ~~14-801.~~

10 ~~(d) (1) “Tax” means any tax, or charge of any kind due to the State or any of~~
11 ~~its political subdivisions, or to any other taxing agency, that by law is a lien against the~~
12 ~~real property on which it is imposed or assessed.~~

13 ~~(2) “Tax” includes interest, penalties, and service charges.~~

14 ~~14-808.~~

15 ~~(a) (1) (i) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS~~
16 ~~SUBSECTION, THE collector shall proceed to sell and shall sell under this subtitle, at the~~
17 ~~time required by local law but in no case, except in Baltimore City, later than 2 years from~~
18 ~~the date the tax is in arrears, all property in the county in which the collector is elected or~~
19 ~~appointed on which the tax is in arrears.~~

20 ~~(ii) The collector is required to sell, but failure of the collector to sell~~
21 ~~within the 2-year period does not affect the validity or [collectibility] COLLECTABILITY of~~
22 ~~any tax, or the validity of any sale thereafter made.~~

23 ~~(2) EXCEPT AS AUTHORIZED UNDER § 9-658(H) AND (I) OF THE~~
24 ~~ENVIRONMENT ARTICLE, THE COLLECTOR MAY NOT SELL REAL PROPERTY SOLELY~~
25 ~~TO ENFORCE A LIEN FOR UNPAID WATER, SEWER, OR SANITARY SYSTEM CHARGES,~~
26 ~~FEES, OR ASSESSMENTS.~~

27 ~~(b) In Calvert County the collector shall proceed to advertise and sell any real~~
28 ~~property immediately after the tax is delinquent for a period of 1 year.~~

29 ~~(c) In St. Mary’s County, the Board of County Commissioners shall set by~~
30 ~~resolution the date and time of a tax sale.~~

31 ~~(d) In Garrett County, the Board of County Commissioners shall set by resolution~~
32 ~~the date and time of a tax sale.~~

33 ~~14-849.1.~~

1 ~~(a) In Baltimore City, the Mayor and City Council may not sell a property solely~~
2 ~~to enforce a lien for unpaid charges for water and sewer service unless:~~

3 ~~(1) (i) for a property other than owner-occupied residential property,~~
4 ~~the lien is for at least \$350; or~~

5 ~~(ii) for an owner-occupied residential property, the lien is for at least~~
6 ~~\$750; and~~

7 ~~(2) the unpaid charges for water and sewer service are at least 3 quarters~~
8 ~~in arrears.~~

9 ~~(b) (1) Notwithstanding subsection (a)(1)(i) of this section, the Mayor and City~~
10 ~~Council may enforce a lien on a property other than owner-occupied residential property~~
11 ~~for unpaid water and sewer service that is less than \$350 if the property is being sold to~~
12 ~~enforce another lien.~~

13 ~~(2) Notwithstanding subsection (a)(1)(ii) of this section, the Mayor and City~~
14 ~~Council may enforce a lien on owner-occupied residential property for unpaid water and~~
15 ~~sewer service that is less than \$750 if the property is being sold to enforce another lien.]~~

16 14-801.

17 ~~(d) (1) “Tax” means any tax, or charge of any kind due to the State or any of~~
18 ~~its political subdivisions, or to any other taxing agency, that by law is a lien against the~~
19 ~~real property on which it is imposed or assessed.~~

20 ~~(2) “Tax” includes interest, penalties, and service charges.~~

21 14-808.

22 ~~(a) The collector shall proceed to sell and shall sell under this subtitle, at the time~~
23 ~~required by local law but in no case, except in Baltimore City, later than 2 years from the~~
24 ~~date the tax is in arrears, all property in the county in which the collector is elected or~~
25 ~~appointed on which the tax is in arrears. The collector is required to sell, but failure of the~~
26 ~~collector to sell within the 2-year period does not affect the validity or collectibility of any~~
27 ~~tax, or the validity of any sale thereafter made.~~

28 ~~(b) In Calvert County the collector shall proceed to advertise and sell any real~~
29 ~~property immediately after the tax is delinquent for a period of 1 year.~~

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32 ~~(d) In Garrett County, the Board of County Commissioners shall set by resolution~~
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1 14-849.1.

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3 to enforce a lien for unpaid charges for water and sewer service unless:

4 (1) (i) for a property other than owner-occupied residential property,
5 the lien is for at least \$350; or

6 (ii) for an owner-occupied residential property, the lien is for at least
7 \$750; and

8 (2) the unpaid charges for water and sewer service are at least 3 quarters
9 in arrears.

10 (b) (1) Notwithstanding subsection (a)(1)(i) of this section, the Mayor and City
11 Council may enforce a lien on a property other than owner-occupied residential property
12 for unpaid water and sewer service that is less than \$350 if the property is being sold to
13 enforce another lien.

14 (2) Notwithstanding subsection (a)(1)(ii) of this section, the Mayor and City
15 Council may enforce a lien on owner-occupied residential property for unpaid water and
16 sewer service that is less than \$750 if the property is being sold to enforce another lien.

17 SECTION 2. AND BE IT FURTHER ENACTED, That:

18 (a) In this section, “collector” has the meaning stated in § 1-101 of the Tax –
19 Property Article.

20 (b) Notwithstanding any other provision of law, during the period from July 1,
21 2017, until July 1, 2018, a collector may not sell real property solely to enforce a lien for
22 unpaid water, sewer, or sanitary system charges, fees, or assessments.

23 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall be construed
24 to apply only prospectively and may not be applied or interpreted to have any effect on or
25 application to any liens attached to real property before the effective date of this Act.

26 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 ~~October~~ July 1, 2017.