

Chapter 730

(House Bill 1209)

AN ACT concerning

Property Tax – Collection of Unpaid Taxes and Tax Sales

FOR the purpose of establishing a State Tax Sale Ombudsman in the State Department of Assessments and Taxation; providing for the appointment, employment status, and removal of the Ombudsman; requiring the Ombudsman to perform certain functions; authorizing a county to establish a County Tax Sale Ombudsman to perform the functions of the State Tax Sale Ombudsman with respect to certain homeowners within the county; ~~requiring a collector to withhold from sale under certain provisions of law certain properties that are subject to liens for unpaid taxes; requiring that the dwellings of certain homeowners and certain other properties designated by a county or municipal corporation that are subject to liens for unpaid taxes are subject to certain procedures and requirements for collection of the unpaid taxes; requiring a county and certain municipal corporations to enact a law implementing certain requirements relating to collection of unpaid taxes; requiring a local implementing law to include certain provisions relating to protections for certain homeowners and certain matters relating to in rem foreclosure; authorizing a county or municipal corporation to file a complaint for an in rem foreclosure action at certain times for certain properties; requiring the county or municipal corporation to send certain notice to certain taxing agencies before filing a certain complaint; requiring a taxing agency receiving a certain notice to certify certain information to the county or municipal corporation within a certain period of time; requiring certain taxes to be included in the foreclosure action; requiring a county or municipal corporation to obtain a certain lien release or make a certain payment before filing a certain action; requiring the county or municipal corporation to file the foreclosure action in a certain circuit court; court and provide certain notice and a copy of a certain complaint to certain persons in a certain manner; requiring the complaint for an in rem foreclosure to include certain information; allowing the complaint for an in rem foreclosure to be amended for certain purposes; authorizing certain persons to redeem certain property in a certain manner under certain circumstances; requiring a hearing on the in rem foreclosure complaint to be conducted at a certain time; providing that an interested party has the right to be heard at the hearing; requiring the court to enter a certain judgment on a certain finding; providing that a certain judgment is binding on certain persons; requiring that a certain judgment be recorded in certain land records; providing that title acquired in a certain sale of real property shall be an absolute or fee simple title except under certain circumstances; requiring the county or municipal corporation to sell at public auction real property after entry of a certain judgment; specifying the time of the sale; specifying the minimum bid for the sale; requiring the property to be sold to the highest bidder; authorizing a county or municipal corporation to bid the minimum bid under certain circumstances; requiring the county or municipal corporation to deposit certain excess bid amounts in escrow; requiring certain funds to be~~

~~distributed to interested parties in a certain manner; requiring the county or municipal corporation to provide certain notice to the court of a sale; establishing that a sale of certain properties is final and binding; requiring the county or municipal corporation to report certain information to the court; *authorizing the governing body of a county or a municipal corporation to withhold from tax sale a dwelling owned by a homeowner who meets certain criteria; requiring certain notices sent to property owners whose properties are subject to tax sale to include a certain summary of the tax sale process and certain information concerning the State Tax Sale Ombudsman*; requiring the Department to conduct an annual survey of each county and certain municipal corporations to obtain certain data regarding properties subject to liens for unpaid taxes; requiring the Department to analyze and summarize the information collected through the survey annually in a certain report and publish the report on its website and submit the report to certain committees of the General Assembly on or before a certain date each year; ~~requiring authorizing the Court of Appeals to adopt certain rules~~; defining certain terms; making conforming changes; ~~providing that certain provisions of this Act are applicable to liens for unpaid taxes that attach to real property on or after a certain date~~; providing for a delayed effective date; and generally relating to collection of unpaid property taxes and tax sales.~~

BY adding to

Article – Tax – Property

Section 2–112 and 14–811(e); ~~14–873 through 14–878 to be under the new part “Part V. Judicial In Rem Tax Foreclosure”~~; and ~~14–881 and 14–882 to be under the new part “Part VI. Tax Sale Reports and 14–873 and 14–874 to be under the new part “Part V. Tax Sale Reports”~~

Annotated Code of Maryland

(2012 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section ~~14–603(a) and 14–811(a)~~ 14–812

Annotated Code of Maryland

(2012 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, without amendments,

Article – Tax – Property

Section ~~1–101(g) and (j)(1) and 14–801(d)~~ 14–817.1

Annotated Code of Maryland

(2012 Replacement Volume and 2018 Supplement)

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

Article – Tax – Property

1-101.

(g) “County” means a county of the State and, unless expressly provided otherwise, Baltimore City.

(j) (1) “Department” means the State Department of Assessments and Taxation.

2-112.

(A) (1) **IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

~~(2) **“ELIGIBLE HOMEOWNER” HAS THE MEANING STATED IN § 14-873 OF THIS ARTICLE.**~~

(2) “HOMEOWNER” HAS THE MEANING STATED IN § 9-105 OF THIS ARTICLE.

(3) “TAX” HAS THE MEANING STATED IN § 14-801 OF THIS ARTICLE.

(B) THERE IS A STATE TAX SALE OMBUDSMAN IN THE DEPARTMENT.

(C) THE OMBUDSMAN:

(1) SHALL BE APPOINTED BY THE DIRECTOR;

(2) SHALL BE IN THE MANAGEMENT SERVICE OF THE STATE PERSONNEL MANAGEMENT SYSTEM; AND

(3) MAY BE REMOVED FROM OFFICE ONLY AFTER A HEARING BEFORE THE DEPARTMENT AND A FINDING OF INCOMPETENCY OR OTHER GOOD CAUSE.

(D) THE OMBUDSMAN SHALL:

(1) ASSIST ~~ELIGIBLE~~ HOMEOWNERS TO UNDERSTAND THE PROCESS FOR COLLECTION OF DELINQUENT TAXES;

(2) ACTIVELY ASSIST ~~ELIGIBLE~~ HOMEOWNERS TO APPLY FOR TAX CREDITS, DISCOUNT PROGRAMS, AND OTHER PUBLIC BENEFITS THAT MAY ASSIST THE ~~ELIGIBLE~~ HOMEOWNERS TO PAY DELINQUENT TAXES AND IMPROVE THEIR FINANCIAL SITUATION;

(3) REFER ~~ELIGIBLE~~ HOMEOWNERS TO LEGAL SERVICES, HOUSING COUNSELING, AND OTHER SOCIAL SERVICES THAT MAY ASSIST ~~ELIGIBLE~~ HOMEOWNERS TO PAY DELINQUENT TAXES AND IMPROVE THEIR FINANCIAL SITUATION;

(4) MAINTAIN A WEBSITE THAT FUNCTIONS AS A CLEARINGHOUSE FOR INFORMATION CONCERNING:

(I) THE PROCESS FOR COLLECTION OF DELINQUENT TAXES;
AND

(II) SERVICES AND PROGRAMS THAT ARE AVAILABLE TO ASSIST ~~ELIGIBLE~~ HOMEOWNERS TO PAY DELINQUENT TAXES AND IMPROVE THEIR FINANCIAL SITUATION; AND

(5) MAINTAIN A TOLL-FREE TELEPHONE NUMBER THAT ~~AN ELIGIBLE~~ A HOMEOWNER MAY CALL TO OBTAIN INDIVIDUALIZED PERSONAL ASSISTANCE WITH DELINQUENT TAXES; ~~AND~~

~~(6) COORDINATE WITH THE COMPTROLLER AND EACH COUNTY TO COMPILE THE LIST OF ELIGIBLE HOMEOWNERS IN EACH COUNTY ON AN ANNUAL BASIS.~~

(E) A COUNTY MAY, BY LAW, ESTABLISH A COUNTY TAX SALE OMBUDSMAN TO FULFILL ALL THE RESPONSIBILITIES OF THE STATE TAX SALE OMBUDSMAN UNDER SUBSECTION (D) OF THIS SECTION WITH RESPECT TO ~~ELIGIBLE~~ HOMEOWNERS WITHIN THE COUNTY.

~~SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~Article Tax Property~~

~~14-603.~~

~~(a) Except as provided in subsection (b) of this section, § 14-874 OF THIS TITLE, and for estimated personal property tax in § 14-604 of this subtitle, the rate of interest for full year county or municipal corporation property tax or taxing district property tax is two thirds of 1% for each month or fraction of a month that the county or municipal corporation property tax or taxing district property tax is overdue.~~

~~14-801.~~

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

~~(2) "Tax" includes interest, penalties, and service charges.~~

~~14-811.~~

~~(a) Except as provided in [subsection (b)] SUBSECTIONS (B) AND (E) of this section, the collector may withhold from sale any property, when the total taxes on the property, including interest and penalties, amount to less than \$250 in any 1 year.~~

~~(E) THE COLLECTOR SHALL WITHHOLD FROM SALE UNDER THIS PART REAL PROPERTY THAT IS SUBJECT TO PART V OF THIS SUBTITLE.~~

~~14-871. RESERVED.~~

~~14-872. RESERVED.~~

~~PART V. JUDICIAL IN REM TAX FORECLOSURE.~~

~~14-873.~~

~~(A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:~~

~~(B) "DWELLING" HAS THE MEANING STATED IN § 9-105 OF THIS ARTICLE.~~

~~(C) "ELIGIBLE HOMEOWNER" MEANS AN INDIVIDUAL WHO:~~

~~(1) OCCUPIES A DWELLING WITH AN ASSESSED VALUE OF \$300,000 OR LESS THAT IS SUBJECT TO A LIEN FOR UNPAID TAX; AND~~

~~(2) HAS A MARYLAND ADJUSTED GROSS INCOME OF \$60,000 OR LESS, AS CALCULATED IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE TAX GENERAL ARTICLE.~~

~~(D) "INTERESTED PARTY" MEANS:~~

~~(1) THE PERSON WHO LAST APPEARS AS OWNER OF THE REAL PROPERTY ON THE COLLECTOR'S TAX ROLL;~~

~~(2) A MORTGAGEE OF THE PROPERTY OR ASSIGNEE OF A MORTGAGE OF RECORD;~~

~~(3) A HOLDER OF A BENEFICIAL INTEREST IN A DEED OF TRUST RECORDED AGAINST THE REAL PROPERTY; OR~~

~~(4) ANY PERSON HAVING AN INTEREST IN THE REAL PROPERTY WHOSE IDENTITY AND ADDRESS ARE:~~

~~(I) REASONABLY ASCERTAINABLE FROM THE COUNTY LAND RECORDS; OR~~

~~(II) REVEALED BY A FULL TITLE SEARCH CONSISTING OF AT LEAST 50 YEARS.~~

~~(E) "TAX" HAS THE MEANING STATED IN § 14-801 OF THIS SUBTITLE. 14-874.~~

~~(A) THIS PART APPLIES TO:~~

~~(1) THE DWELLING OF AN ELIGIBLE HOMEOWNER; AND~~

~~(2) ANY OTHER REAL PROPERTY THAT A COUNTY OR MUNICIPAL CORPORATION DESIGNATES, BY LAW, TO BE SUBJECT TO THIS PART.~~

~~(B) (1) (I) EACH COUNTY SHALL ENACT A LAW IMPLEMENTING THE REQUIREMENTS OF THIS PART.~~

~~(II) A MUNICIPAL CORPORATION SHALL ENACT A LAW IMPLEMENTING THE REQUIREMENTS OF THIS PART ONLY IF THE MUNICIPAL CORPORATION CONDUCTS AN IN REM FORECLOSURE AND SALE TO ENFORCE A MUNICIPAL TAX LIEN.~~

~~(2) A LAW IMPLEMENTING THIS PART SHALL INCLUDE:~~

~~(I) A REQUIREMENT THAT THE DWELLING OF AN ELIGIBLE HOMEOWNER NOT BE SUBJECT TO FORECLOSURE AND SALE UNDER THIS PART UNLESS THE TAX ON THE DWELLING:~~

~~1. HAS BEEN DELINQUENT FOR AT LEAST 2 YEARS; AND~~

~~2. EXCEEDS \$1,000;~~

~~(II) NOTWITHSTANDING § 14-603 OF THIS TITLE, A RATE OF INTEREST FOR EACH MONTH OR FRACTION OF A MONTH THAT TAX IS OVERDUE ON THE DWELLING OF AN ELIGIBLE HOMEOWNER THAT DOES NOT EXCEED 0.5%;~~

~~(III) A PROHIBITION ON REQUIRING AN ELIGIBLE HOMEOWNER TO PAY ANY FEES OR EXPENSES INCURRED BY THE COUNTY OR MUNICIPAL CORPORATION UNDER THIS PART;~~

~~(IV) A REQUIREMENT THAT THE COUNTY OR MUNICIPAL CORPORATION SEND AT LEAST FIVE NOTICES AT APPROPRIATE INTERVALS BY FIRST CLASS MAIL AT LEAST 30 DAYS APART TO AN ELIGIBLE HOMEOWNER THAT CONVEY INFORMATION ABOUT THE PROCESS FOR COLLECTION OF DELINQUENT TAXES AND OTHER INFORMATION REQUIRED BY THIS PART IN CLEAR, CONCISE, AND EASILY UNDERSTANDABLE LANGUAGE;~~

~~(V) AN OPTION FOR AN ELIGIBLE HOMEOWNER TO PREVENT FORECLOSURE AND SALE UNDER THIS PART BY ENTERING INTO AN INSTALLMENT PLAN OF UP TO 60 MONTHS TO MAKE PAYMENTS OF DELINQUENT TAXES BASED ON THE HOMEOWNER'S INCOME;~~

~~(VI) A PROCESS BY WHICH AN ELIGIBLE HOMEOWNER WHO IS LOW INCOME, AT LEAST 65 YEARS OLD, OR DISABLED MAY APPLY FOR THE ELIGIBLE HOMEOWNER'S DWELLING TO BE EXEMPT FROM FORECLOSURE AND SALE UNDER THIS PART IF THE ELIGIBLE HOMEOWNER MEETS CRITERIA SPECIFIED BY THE COUNTY OR MUNICIPAL CORPORATION;~~

~~(VII) A PROCESS FOR REFERRING ELIGIBLE HOMEOWNERS TO THE STATE TAX SALE OMBUDSMAN ESTABLISHED UNDER § 2-112 OF THIS ARTICLE OR TO THE COUNTY TAX SALE OMBUDSMAN IF THE COUNTY HAS ESTABLISHED A COUNTY TAX SALE OMBUDSMAN;~~

~~(VIII) A PROCEDURE FOR THE COUNTY OR MUNICIPAL CORPORATION TO FILE A COMPLAINT FOR AN IN REM FORECLOSURE UNDER THIS PART; AND~~

~~(IX) ADMINISTRATIVE RULES AND PROCEDURES NECESSARY TO CARRY OUT THIS PART.~~

~~14-875.~~

~~(A) A COUNTY OR MUNICIPAL CORPORATION MAY FILE A COMPLAINT FOR AN IN REM FORECLOSURE ACTION AFTER:~~

~~(1) TAXES ON THE DWELLING OF AN ELIGIBLE HOMEOWNER HAVE BEEN DELINQUENT FOR AT LEAST 2 YEARS; OR~~

~~(2) TAXES ON ANY OTHER PROPERTY SUBJECT TO THIS PART HAVE BEEN DELINQUENT FOR AT LEAST 1 YEAR 6 MONTHS.~~

~~(B) (1) AT LEAST 60 DAYS BEFORE FILING A COMPLAINT FOR AN IN REM FORECLOSURE, THE COUNTY OR MUNICIPAL CORPORATION SHALL NOTIFY ALL OTHER TAXING AGENCIES THAT HAVE THE AUTHORITY TO COLLECT TAXES ON THE REAL PROPERTY OF THE COUNTY'S OR MUNICIPAL CORPORATION'S INTENTION TO FILE A COMPLAINT FOR AN IN REM FORECLOSURE OF THE REAL PROPERTY.~~

~~(2) WITHIN 30 DAYS AFTER RECEIVING NOTICE UNDER PARAGRAPH (1) OF THIS SUBSECTION, A TAXING AGENCY SHALL CERTIFY TO THE COUNTY OR MUNICIPAL CORPORATION A STATEMENT OF ALL TAXES DUE TO THE TAXING AGENCY.~~

~~(3) ALL TAXES CERTIFIED IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION SHALL:~~

~~(I) BE INCLUDED IN THE FORECLOSURE ACTION; AND~~

~~(II) CEASE TO BE A LIEN AGAINST THE REAL PROPERTY IF A JUDGMENT IS ENTERED FORECLOSING THE EXISTING INTERESTS OF ALL INTERESTED PARTIES IN THE REAL PROPERTY.~~

~~(4) BEFORE FILING THE COMPLAINT UNDER SUBSECTION (C) OF THIS SECTION, THE COUNTY OR MUNICIPAL CORPORATION SHALL:~~

~~(I) OBTAIN A LIEN RELEASE FROM THE STATE FOR ANY LIENS FOR UNPAID STATE PROPERTY TAXES, INTEREST, AND PENALTIES; OR~~

~~(II) PAY TO THE STATE, IN ACCORDANCE WITH § 4-202 OF THIS ARTICLE, ANY UNPAID STATE PROPERTY TAXES, INTEREST, AND PENALTIES.~~

~~(C) THE COUNTY OR MUNICIPAL CORPORATION SHALL FILE THE COMPLAINT FOR AN IN REM FORECLOSURE IN THE CIRCUIT COURT OF THE COUNTY WHERE THE REAL PROPERTY IS LOCATED.~~

~~(C) THE COUNTY OR MUNICIPAL CORPORATION SHALL:~~

~~(1) FILE THE COMPLAINT FOR AN IN REM FORECLOSURE IN THE CIRCUIT COURT OF THE COUNTY WHERE THE REAL PROPERTY IS LOCATED; AND~~

~~(2) WITHIN 5 DAYS AFTER FILING THE COMPLAINT FOR AN IN REM FORECLOSURE, SEND A NOTICE AND A COPY OF THE COMPLAINT TO ALL INTERESTED PARTIES BY:~~

~~(I) CERTIFIED MAIL; AND~~

~~(II) FIRST CLASS MAIL.~~

~~(D) THE COMPLAINT FOR AN IN REM FORECLOSURE SHALL INCLUDE:~~

~~(1) THE IDENTITY OF THE COUNTY OR MUNICIPAL CORPORATION ON BEHALF OF WHICH THE COMPLAINT IS FILED;~~

~~(2) A NAME AND ADDRESS FOR THE COUNTY OR MUNICIPAL CORPORATION;~~

~~(3) A DESCRIPTION OF THE REAL PROPERTY AS IT APPEARS IN THE COUNTY LAND RECORDS;~~

~~(4) THE TAX IDENTIFICATION NUMBER OF THE REAL PROPERTY;~~

~~(5) A STATEMENT THAT THE TAXES ARE DELINQUENT AT THE TIME OF THE FILING;~~

~~(6) THE AMOUNT OF TAXES THAT ARE DELINQUENT AS OF THE DATE OF FILING;~~

~~(7) THE NAMES AND LAST KNOWN ADDRESSES OF ALL INTERESTED PARTIES IN THE REAL PROPERTY AND, IF APPLICABLE, A STATEMENT THAT THE ADDRESS OF A PARTICULAR INTERESTED PARTY IN THE REAL PROPERTY IS UNKNOWN;~~

~~(8) A REQUEST THAT THE CIRCUIT COURT NOT SCHEDULE A HEARING ON THE COMPLAINT UNTIL 30 DAYS AFTER THE DATE THAT THE COMPLAINT IS FILED; AND~~

~~(9) A REQUEST THAT THE CIRCUIT COURT ENTER A JUDGMENT THAT FORECLOSES THE EXISTING INTERESTS OF ALL INTERESTED PARTIES IN THE REAL PROPERTY AND ORDERS THE REAL PROPERTY TO BE SOLD AT PUBLIC AUCTION.~~

~~(E) A COMPLAINT FOR AN IN REM FORECLOSURE MAY BE AMENDED TO INCLUDE ALL TAXES THAT BECOME DELINQUENT AFTER THE COMMENCEMENT OF THE IN REM FORECLOSURE ACTION.~~

~~(F) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN INTERESTED PARTY HAS THE RIGHT TO REDEEM THE PROPERTY BY PAYING ALL TAXES DUE AT ANY TIME BEFORE THE ENTRY OF A FORECLOSURE JUDGMENT.~~

~~(2) THE RIGHT TO REDEEM THE PROPERTY TERMINATES WHEN THE CIRCUIT COURT ENTERS A FORECLOSURE JUDGMENT.~~

~~14-876.~~

~~(A) A CIRCUIT COURT MAY NOT SET A HEARING FOR AN IN REM FORECLOSURE UNTIL 30 DAYS AFTER THE COMPLAINT FOR AN IN REM FORECLOSURE IS FILED.~~

~~(B) AT THE HEARING, ANY INTERESTED PARTY SHALL HAVE THE RIGHT TO BE HEARD AND TO CONTEST THE DELINQUENCY OF THE TAXES AND THE ADEQUACY OF THE PROCEEDINGS.~~

~~(C) IF THE CIRCUIT COURT FINDS THAT THE INFORMATION SET FORTH IN THE COMPLAINT IS ACCURATE, THE COURT SHALL:~~

~~(1) ENTER A JUDGMENT THAT PROPER NOTICE HAS BEEN PROVIDED TO FORECLOSES THE EXISTING INTERESTS OF ALL INTERESTED PARTIES; AND~~

~~(2) ORDER THAT THE REAL PROPERTY BE SOLD IN ACCORDANCE WITH THIS PART.~~

~~(D) A JUDGMENT UNDER SUBSECTION (C) OF THIS SECTION IS BINDING AND CONCLUSIVE, REGARDLESS OF LEGAL DISABILITY, ON:~~

~~(1) ALL PERSONS, KNOWN AND UNKNOWN, WHO WERE PARTIES TO THE ACTION AND WHO HAD A CLAIM TO THE PROPERTY, WHETHER PRESENT OR FUTURE, VESTED OR CONTINGENT, LEGAL OR EQUITABLE, OR SEVERAL OR UNDIVIDED; AND~~

~~(2) ALL PERSONS WHO WERE NOT PARTIES TO THE ACTION AND HAD A CLAIM TO THE PROPERTY THAT WAS NOT RECORDED AT THE TIME THAT THE ACTION WAS COMMENCED.~~

~~(E) THE ENTRY OF A JUDGMENT UNDER SUBSECTION (C) OF THIS SECTION SHALL BE RECORDED IN THE LAND RECORDS OF THE COUNTY.~~

~~(F) THE TITLE ACQUIRED IN A SALE OF REAL PROPERTY UNDER § 14-877 OF THIS PART AFTER AN IN REM FORECLOSURE PROCEEDING SHALL BE AN~~

~~ABSOLUTE OR FEE SIMPLE TITLE INCLUDING THE RIGHT, TITLE, AND INTEREST OF EACH OF THE DEFENDANTS IN THE PROCEEDING WHOSE PROPERTY HAS BEEN FORECLOSED UNLESS A DIFFERENT TITLE IS SPECIFIED IN THE JUDGMENT ENTERED.~~

~~14-877.~~

~~(A) (1) AFTER ENTRY OF JUDGMENT UNDER § 14-876 OF THIS SUBTITLE, THE COUNTY OR MUNICIPAL CORPORATION SHALL SELL, IN ACCORDANCE WITH THE MARYLAND RULES, THE REAL PROPERTY AT PUBLIC AUCTION.~~

~~(2) THE REAL PROPERTY MAY NOT BE SOLD UNTIL AT LEAST 45 DAYS AFTER THE ENTRY OF JUDGMENT.~~

~~(B) THE MINIMUM BID FOR THE SALE OF THE REAL PROPERTY SHALL BE DETERMINED BY THE COUNTY OR MUNICIPAL CORPORATION.~~

~~(C) (1) THE REAL PROPERTY SHALL BE SOLD TO THE PERSON MAKING THE HIGHEST BID.~~

~~(2) THE PERSON MAKING THE HIGHEST BID SHALL PAY THE FULL BID AMOUNT TO THE COUNTY OR MUNICIPAL CORPORATION.~~

~~(3) IF THE MINIMUM BID IS NOT MADE OR EXCEEDED, THE COUNTY OR MUNICIPAL CORPORATION THAT FILED THE COMPLAINT MAY BID THE MINIMUM BID PRICE AND PURCHASE THE REAL PROPERTY.~~

~~(D) (1) IF THE HIGHEST BID EXCEEDS THE MINIMUM BID AMOUNT, THE COUNTY OR MUNICIPAL CORPORATION SHALL DEPOSIT THE FUNDS IN EXCESS OF THE MINIMUM BID IN AN ESCROW ACCOUNT.~~

~~(2) THE CIRCUIT COURT SHALL DISTRIBUTE THE FUNDS DEPOSITED INTO ESCROW TO THE INTERESTED PARTIES IN THE ORDER OF PRIORITY OF THE INTERESTS OF THE INTERESTED PARTIES.~~

~~(E) AFTER A SALE, THE COUNTY OR MUNICIPAL CORPORATION SHALL FILE A NOTICE INFORMING THE CIRCUIT COURT OF THE SALE AND STATING THE DATE OF THE SALE.~~

~~(F) A SALE OF REAL PROPERTY UNDER THIS SECTION IS FINAL AND BINDING ON THE MAKER OF THE HIGHEST BID.~~

~~14-878.~~

~~(A) WITHIN 90 DAYS AFTER A SALE UNDER § 14-877 OF THIS PART, THE COUNTY OR MUNICIPAL CORPORATION SHALL FILE A REPORT OF THE SALE WITH THE CIRCUIT COURT.~~

~~(B) THE REPORT SHALL IDENTIFY THE SALE THAT TOOK PLACE, THE SALE PRICE, AND THE IDENTITY OF THE PURCHASER.~~

~~(C) THE COUNTY OR MUNICIPAL CORPORATION MAY CONSOLIDATE MULTIPLE SALE REPORTS.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~14-879. RESERVED.~~

~~14-880. RESERVED.~~

~~PART VI. TAX SALE REPORTS.~~

~~14-881.~~

14-811.

(E) (1) IN THIS SUBSECTION, “DWELLING” AND “HOMEOWNER” HAVE THE MEANINGS STATED IN § 9-105 OF THIS ARTICLE.

(2) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY WITHHOLD FROM SALE A DWELLING OWNED BY A HOMEOWNER WHO IS LOW-INCOME, AT LEAST 65 YEARS OLD, OR DISABLED IF THE HOMEOWNER MEETS ELIGIBILITY CRITERIA ESTABLISHED BY THE COUNTY OR MUNICIPAL CORPORATION.

14-812.

(a) (1) At least 30 days before any property is first advertised for sale under this subtitle, the collector shall have mailed to the person who last appears as owner of the property on the collector’s tax roll, at the last address shown on the tax roll, a statement giving the name of the person, and the amounts of taxes due.

(2) On the statement required under paragraph (1) of this subsection there shall also appear the following notice:

.....
“Date”

“This Is a Final Bill and Legal Notice to the Person Whose Name Appears on This Notice.”

“According to the collector’s tax roll you are the owner of the property appearing on this notice. Some of the taxes listed are in arrears. Notice is given you that unless all taxes in arrears are paid on or before 30 days from the above date, the collector will proceed to sell the above property to satisfy your entire indebtedness. Interest and penalties must be added to the total at the time of payment.”

(b) The mailing required under subsection (a) of this section shall include a separate insert that includes the following:

(1) A CLEAR, CONCISE, AND EASILY UNDERSTANDABLE SUMMARY OF THE TAX SALE PROCESS NOT EXCEEDING ONE PAGE IN LENGTH THAT INCLUDES A SIMPLE EXPLANATION OF THE STEPS THAT A PROPERTY OWNER IS REQUIRED TO TAKE TO RETAIN THE PROPERTY AT EACH STAGE IN THE PROCESS;

~~[(1)]~~ **(2) the statement “If this property is your principal residence and you are having difficulty paying the taxes on the property, there are programs that may help you.”;**

(3) A STATEMENT THAT THE STATE TAX SALE OMBUDSMAN ESTABLISHED UNDER § 2-112 OF THIS ARTICLE OR THE COUNTY TAX SALE OMBUDSMAN, IF APPLICABLE, IS AVAILABLE TO:

(I) ANSWER QUESTIONS ABOUT THE TAX SALE PROCESS; AND

(II) ASSIST HOMEOWNERS WITH APPLYING FOR TAX CREDITS AND OTHER BENEFITS THAT MAY HELP HOMEOWNERS TO PAY DELINQUENT TAXES AND RETAIN THEIR HOMES;

(4) THE TOLL-FREE TELEPHONE NUMBER AND WEBSITE ADDRESS OF THE STATE TAX SALE OMBUDSMAN OR THE COUNTY TAX SALE OMBUDSMAN, IF APPLICABLE;

~~[(2)]~~ **(5) a statement that free counseling is available to help homeowners make plans to pay their bills and keep their homes by calling the telephone number of:**

(i) the Homeowner’s HOPE Hotline; or

(ii) another similar local housing counseling service chosen by the collector;

~~[(3)]~~ **(6) the following information concerning the homeowners’ property tax credit under § 9-104 of this article:**

(i) the statement “The homeowners’ property tax credit may significantly reduce the property taxes you owe if you have limited income and assets. You may be eligible for the credit at any age, but if you are 70 years old or older, you may be eligible for a special benefit that may reduce the taxes you owe for the past 3 years.”; and

(ii) the website address and telephone number of the State [Department of Assessments and Taxation] TAX SALE OMBUDSMAN where more information is available about the homeowners’ property tax credit and how to apply;

[(4)] (7) if the collector uses the tax sale process to enforce a lien for unpaid charges for water or sewer service and a water or sewer utility serving the collector’s jurisdiction offers a program for discounted water or sewer rates for low-income customers:

(i) a brief description of the program for discounted water or sewer rates for low-income customers; and

(ii) information on how to apply for the program, including, if applicable, a website address and telephone number where more information and applications are available; and

[(5)] (8) any other information that may assist low-income homeowners in avoiding tax sale costs or foreclosure that the collector considers appropriate.

(c) For any individual who last appears as an owner of the property on the collector’s tax roll who has been listed as an owner of the property on the collector’s tax roll for at least the last 25 years, the collector shall provide, at least 30 days before the property is first advertised, a list that includes the individual’s name and address and notice to the area agency, as defined in § 10–101 of the Human Services Article.

(d) Failure of the collector to mail the statement and notice to the last address of the person last assessed for the property, as it appears on the collector’s tax roll, to mail, if applicable, a list including the name and address of an individual receiving the statement who has been listed as an owner of the property on the collector’s tax roll for at least the last 25 years and notice to the area agency, or to include any taxes in the statement and notice, does not invalidate or otherwise affect any tax, except a tax that is required to be but has not been certified as provided in § 14–810 of this subtitle, or any sale made under this subtitle to enforce payment of taxes, nor prevent nor stay any proceedings under this subtitle, nor affect the title of any purchaser.

14–817.1.

(a) Within 60 days after a property is sold at a tax sale, the collector shall send to the person who last appears as owner of the property on the collector’s tax roll, at the last address shown on the tax roll, a notice that includes:

(1) a statement that the property has been sold to satisfy unpaid taxes;

- (2) the date of the tax sale;
- (3) the amount of the highest bid;
- (4) the lien amount on the property at the time of sale;
- (5) a statement that the owner has the right to redeem the property until a court forecloses that right;
- (6) a statement that the purchaser of the property may institute an action to foreclose the property:

 - (i) as early as 6 months from the date of the sale; or
 - (ii) if a government agency certifies that the property requires, or shall require, substantial repair to comply with applicable building codes, as early as 60 days from the date of the sale;

- (7) a statement that if the property is redeemed before an action to foreclose the right of redemption is filed, the amount that shall be paid to redeem the property is:

 - (i) the total lien amount on the property at the time of sale, with interest;
 - (ii) any taxes, interest, and penalties paid by the holder of the certificate of sale; and
 - (iii) any taxes, interest, and penalties accruing after the date of the tax sale;

- (8) a statement that, if the property is redeemed more than 4 months after the date of the tax sale, and before an action to foreclose the right of redemption is filed, the holder of the certificate of sale may be reimbursed for:

 - (i) attorney's fees for recording the certificate of sale;
 - (ii) a title search fee, not to exceed \$250; and
 - (iii) reasonable attorney's fees, not to exceed \$500;

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

(i) the total lien amount on the property at the time of sale, with interest;

(ii) any taxes, interest, and penalties paid by the holder of the certificate of sale;

(iii) any taxes, interest, and penalties accruing after the date of the tax sale; and

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

(10) the provisions of § 14-843(a) of this subtitle, reproduced as they appear in the Code.

(b) The notice required under subsection (a) of this section shall be sent by first-class mail.

(c) The mailing required under this section shall include a separate insert that includes all of the information required under § 14-812(b) of this subtitle.

14-871. RESERVED.

14-872. RESERVED.

PART V. TAX SALE REPORTS.

14-873.

(A) THE DEPARTMENT SHALL CONDUCT AN ANNUAL SURVEY OF EACH COUNTY AND ANY MUNICIPAL CORPORATION THAT CONDUCTS A TAX SALE UNDER PART III ~~OR PART V~~ OF THIS SUBTITLE TO OBTAIN THE DATA SPECIFIED IN THIS SECTION.

(B) THE DEPARTMENT SHALL OBTAIN THE FOLLOWING INFORMATION CONCERNING PROPERTIES SUBJECT TO SALE UNDER PART III OF THIS SUBTITLE:

(1) THE TOTAL NUMBER OF TAX SALE CERTIFICATES OFFERED FOR SALE;

(2) THE NUMBER OF CERTIFICATES OFFERED FOR SALE THAT ARE FOR PROPERTY OWNED BY ~~AN ELIGIBLE HOMEOWNER AS DEFINED IN § 14-873 OF THIS SUBTITLE~~ A HOMEOWNER AS DEFINED IN § 9-105 OF THIS ARTICLE;

(3) THE NUMBER OF CERTIFICATES OFFERED FOR SALE THAT ARE FOR PROPERTIES THAT ARE VACANT AND ABANDONED;

(4) THE NUMBER OF CERTIFICATES OFFERED FOR SALE THAT ARE FOR PROPERTIES THAT ARE SUBJECT TO LIENS FOR WATER OR SEWER SERVICES ONLY;

(5) THE NUMBER OF CERTIFICATES OFFERED FOR SALE THAT ARE SOLD;

(6) THE AVERAGE AMOUNT OF THE LIEN FOR UNPAID TAXES ON PROPERTIES OFFERED FOR SALE;

(7) THE NUMBER OF PROPERTIES THAT ARE REDEEMED BEFORE FORECLOSURE AND THE NUMBER OF YEARS THAT ELAPSE BETWEEN THE SALE OF THE CERTIFICATE AND REDEMPTION OF EACH PROPERTY; AND

(8) THE NUMBER OF PROPERTIES THAT ARE SUBJECT TO FORECLOSURE.

~~(c) THE DEPARTMENT SHALL OBTAIN THE FOLLOWING INFORMATION CONCERNING PROPERTIES WITH DELINQUENT TAXES THAT ARE SUBJECT TO PART V OF THIS SUBTITLE:~~

~~(1) THE TOTAL NUMBER OF PROPERTIES SUBJECT TO PART V OF THIS SUBTITLE;~~

~~(2) THE NUMBER OF PROPERTIES THAT ARE OWNED BY AN ELIGIBLE HOMEOWNER AS DEFINED IN § 14-873 OF THIS SUBTITLE;~~

~~(3) THE NUMBER OF PROPERTIES THAT ARE VACANT AND ABANDONED;~~

~~(4) THE NUMBER OF PROPERTIES THAT ARE SUBJECT TO LIENS FOR WATER OR SEWER SERVICES ONLY;~~

~~(5) THE NUMBER OF PROPERTIES FOR WHICH THE DELINQUENT TAXES ARE PAID BEFORE FORECLOSURE AND THE NUMBER OF YEARS THAT ELAPSE BETWEEN THE TAXES BECOMING DELINQUENT AND THE PAYMENT OF THE TAXES;~~

~~(6) THE AVERAGE AMOUNT OF THE LIEN FOR UNPAID TAXES ON PROPERTIES SUBJECT TO PART V OF THIS SUBTITLE; AND~~

~~(7) THE NUMBER OF PROPERTIES THAT ARE SUBJECT TO FORECLOSURE.~~

~~14-882.~~

(C) THE DEPARTMENT SHALL OBTAIN:

(1) THE NUMBER OF COUNTIES AND MUNICIPAL CORPORATIONS THAT HAVE WITHHELD FROM SALE UNDER § 14-811(E) OF THIS SUBTITLE A DWELLING OWNED BY A HOMEOWNER WHO IS LOW-INCOME, AT LEAST 65 YEARS OLD, OR DISABLED;

(2) THE ELIGIBILITY CRITERIA USED BY EACH COUNTY AND MUNICIPAL CORPORATION TO WITHHOLD A DWELLING FROM SALE UNDER § 14-811(E) OF THIS SUBTITLE; AND

(3) THE NUMBER OF DWELLINGS WITHHELD FROM SALE BY EACH COUNTY AND MUNICIPAL CORPORATION UNDER § 14-811(E) OF THIS SUBTITLE.

14-874.

THE DEPARTMENT SHALL ANALYZE AND SUMMARIZE THE INFORMATION COLLECTED THROUGH THE SURVEY UNDER § ~~14-881~~ 14-873 OF THIS PART ANNUALLY IN A REPORT AND:

(1) PUBLISH THE REPORT ON THE DEPARTMENT'S WEBSITE; AND

(2) ON OR BEFORE DECEMBER 31 EACH YEAR, SUBMIT THE REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS.

~~SECTION 4. AND BE IT FURTHER ENACTED, That the Court of Appeals shall may adopt rules to carry out Section 2 of this Act.~~

~~SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to liens for unpaid taxes that attach to real property on or after July 1, 2020.~~

~~SECTION 6. 2. AND BE IT FURTHER ENACTED, That, subject to Section 5 of this Act, That this Act shall take effect January 1, 2020.~~

Enacted under Article II, § 17(c) of the Maryland Constitution, May 25, 2019.