

SENATE BILL 96

Q8, L2

9lr0704
CF HB 161

By: Senators Washington, Carter, Ferguson, Hayes, and McCray McCray, and Nathan-Pulliam

Introduced and read first time: January 14, 2019

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Recommitted to Budget and Taxation, February 28, 2019

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 13, 2019

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Tax Sales of Real Property – Water Liens**
3 **(Water Taxpayer Protection Act of 2019)**

4 FOR the purpose of requiring the collector in Baltimore City to withhold from tax sale
5 certain places of worship if the taxes on the property consist only of a lien for unpaid
6 charges for water and sewer service; repealing the authority of the Mayor and City
7 Council of Baltimore City to sell certain properties to enforce a lien for unpaid
8 charges for water and sewer service if the properties are also being sold to enforce
9 another lien; repealing the authority of the Mayor and City Council of Baltimore City
10 to sell certain ~~places of worship~~ real property owned by religious groups or
11 organizations to enforce a lien for unpaid charges for water and sewer service;
12 repealing the authority of Baltimore City to enforce a water and sewer service lien
13 on residential property if the property is being sold to enforce another lien; providing
14 that this Act does not affect other rights or remedies of Baltimore City to collect
15 unpaid charges for water and sewer service, ~~subject to a certain exception~~;
16 ~~prohibiting Baltimore City from acquiring residential property and places of worship~~
17 ~~by means of execution of a judgment under certain circumstances~~; repealing a certain
18 termination provision relating to the authority of Baltimore City to sell real property
19 to enforce a water and sewer service lien; providing for the application of certain
20 provisions of this Act; and generally relating to tax sales of real property in Baltimore
21 City.

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 and reenacting, with amendments,
 2 Article – Tax – Property
 3 Section 14–811(b) and 14–849.1
 4 Annotated Code of Maryland
 5 (2012 Replacement Volume and 2018 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Chapter 714 of the Acts of the General Assembly of 2018
 8 Section 3

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

11 **Article – Tax – Property**

12 14–811.

13 (b) (1) The collector may withhold from sale any residential property, when
 14 the total taxes on the property, including interest and penalties, amount to less than \$750.

15 (2) In Baltimore City, the collector shall withhold from sale
 16 owner-occupied residential property, when the total taxes on the property, including
 17 interest and penalties, amount to less than \$750.

18 (3) In Baltimore City, the collector shall withhold from sale residential
 19 property OR PROPERTY THAT IS EXEMPT FROM TAXATION UNDER § 7–204(1) OR (2)
 20 OF THIS ARTICLE, if the taxes on the property consist only of a lien for unpaid charges for
 21 water and sewer service.

22 14–849.1.

23 (a) In Baltimore City, the Mayor and City Council may not sell a property [solely]
 24 to enforce a lien for unpaid charges for water and sewer service unless:

25 (1) the lien is for at least \$350;

26 (2) the property is not:

27 (I) a residential property; OR

28 (II) ~~REAL PROPERTY USED EXCLUSIVELY AS A PLACE OF~~
 29 ~~WORSHIP~~ THAT IS EXEMPT FROM TAXATION UNDER § 7–204(1) OR (2) OF THIS
 30 ARTICLE; and

31 (3) the unpaid charges for water and sewer service are at least 3 quarters
 32 in arrears.

1 (b) [(1)] Notwithstanding subsection (a) of this section, the Mayor and City
2 Council may enforce a lien on a property other than residential property **OR REAL**
3 **PROPERTY USED EXCLUSIVELY AS A PLACE OF WORSHIP THAT IS EXEMPT FROM**
4 **TAXATION UNDER § 7-204(1) OR (2) OF THIS ARTICLE** for unpaid water and sewer
5 service that is less than \$350 if the property is being sold to enforce another lien.

6 [(2)] Notwithstanding subsection (a) of this section, the Mayor and City
7 Council may enforce a lien on residential property for unpaid water and sewer service if the
8 property is being sold to enforce another lien.]

9 (C) ~~(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,~~
10 ~~THIS~~ **THIS** SECTION DOES NOT AFFECT ANY OTHER RIGHT OR REMEDY OF
11 **BALTIMORE CITY FOR THE COLLECTION OF A WATER AND SEWER SERVICE CHARGE.**

12 ~~(2) BALTIMORE CITY MAY NOT ACQUIRE RESIDENTIAL PROPERTY OR~~
13 ~~REAL PROPERTY USED EXCLUSIVELY AS A PLACE OF WORSHIP BY MEANS OF~~
14 ~~EXECUTION OF A JUDGMENT FOR FAILURE BY THE OWNER, ON WHOM THE WATER~~
15 ~~AND SEWER SERVICE CHARGE WAS ORIGINALLY MADE, TO PAY THE WATER AND~~
16 ~~SEWER SERVICE CHARGE.~~

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

19 **Chapter 714 of the Acts of 2018**

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2018. [It shall remain effective for a period of 1 year and 3 months and, at the
22 end of December 31, 2019, this Act, with no further action required by the General
23 Assembly, shall be abrogated and of no further force and effect.]

24 SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be
25 construed to apply only prospectively and may not be applied or interpreted to have any
26 effect on or application to any liens attached to real property before the effective date of
27 this Act.

28 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July
29 1, 2019.