MARYLAND BANKERS ASSOCIATION

SB 765 – Property Taxes - Tax Sales, Heirs Protection Program, and Tax Credits
Committee: Senate Budget & Taxation Committee
Date: March 3, 2026
Position: Favorable

The Maryland Bankers Association (MBA) **SUPPORTS** SB 765. This legislation strengthens the ability of heirs to establish clear legal title, avoid tax sales, and access essential tax credits and legal assistance. SB 765 introduces practical and long-overdue reforms that enhance title clarity, reduce preventable home loss, and promote financial stability for Maryland families.

By authorizing the State Tax Sale Ombudsman to assist individuals acting on behalf of deceased homeowners—as well as heirs and legatees—the bill reduces the legal uncertainty that frequently prevents inherited homes from being maintained, refinanced, or effectively managed. The creation of the Heirs Protection Program further ensures that inherited properties are not pushed into tax sale, providing families with the time and support necessary to resolve delinquent tax obligations. Additionally, the bill's guidance on applying for available tax credits helps heirs remain financially stable and better positioned to stay current on mortgage payments associated with inherited properties.

SB 765 represents a thoughtful and targeted policy solution that protects Maryland homeowners, preserves intergenerational wealth, and strengthens communities. It also contributes to a healthier lending environment by reducing title ambiguity, preventing unnecessary tax sale outcomes, and supporting long-term, stable homeownership. Accordingly, MBA urges the issuance of a **FAVORABLE** report on SB 765.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding $194.8 billion in deposits in over 1,100 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.