
By: **Delegates Watson, Kirk, Rosenberg, Rawlings, Marriott, Oaks, C. Mitchell, and McHale**

Introduced and read first time: February 13, 1998

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City - Property Tax Sales - Foreclosure of Right of Redemption**

3 FOR the purpose of providing that, with respect to certain property that has been sold
4 at a tax sale in Baltimore City, a certificate of sale is void under certain
5 circumstances unless the holder secures a decree within a certain time from the
6 date of the filing of the foreclosure proceeding; providing that in Baltimore City
7 a final judgment in a tax sale foreclosure proceeding may be stricken by the
8 court on the motion of certain persons for certain cause if the holder of the
9 certificate of sale does not record the deed in land records within a certain time
10 of the execution of the deed; and generally relating to property tax sales and tax
11 sale foreclosure proceedings in Baltimore City.

12 BY repealing and reenacting, with amendments,
13 Article - Tax - Property
14 Section 14-833 and 14-847
15 Annotated Code of Maryland
16 (1994 Replacement Volume and 1997 Supplement)

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

19 **Article - Tax - Property**

20 14-833.

21 (a) Except as provided in subsection (e) of this section, at any time after 6
22 months from the date of sale a holder of any certificate of sale may file a complaint to
23 foreclose all rights of redemption of the property to which the certificate relates.

24 (b) The right to redeem shall continue until finally barred by decree of the
25 circuit court in which the foreclosure proceeding is filed.

26 (c) (1) The certificate is void unless a proceeding to foreclose the right of
27 redemption is filed[:

1 (1) within 2 years of the date of the certificate of sale [; or].

2 (2) [in] IN Baltimore City, with respect to any property which was cited
3 as vacant and abandoned on a housing or building violation notice outstanding on the
4 date of the tax sale, THE CERTIFICATE IS VOID UNLESS:

5 (I) A PROCEEDING TO FORECLOSE THE RIGHT OF REDEMPTION IS
6 FILED within 1 year of the date of the certificate of sale; AND

7 (II) UNLESS THE HOLDER IS GRANTED AN EXTENSION BY THE
8 COURT DUE TO A SHOWING OF EXTRAORDINARY CIRCUMSTANCES BEYOND THE
9 CERTIFICATE HOLDER'S CONTROL, THE HOLDER SECURES A DECREE FROM THE
10 CIRCUIT COURT IN WHICH THE FORECLOSURE PROCEEDING WAS FILED WITHIN 2
11 YEARS FROM THE DATE OF THE FILING OF THE FORECLOSURE PROCEEDING.

12 (d) If a certificate is void under subsection (c) of this section, then any right,
13 title, and interest of the holder of the certificate of sale, in the property sold shall
14 cease and all money received by the collector on account of the sale shall be deemed
15 forfeited, and shall be applied by the collector on the taxes in arrears on the property.

16 (e) If any building or structure is sold and purchased under this subtitle, and
17 the appropriate government agency certifies that the particular building or structure
18 involved requires, or within 6 months shall require, substantial repairs to comply
19 with the applicable building code:

20 (1) the holder of any certificate of sale may at any time after 60 days
21 from the date of sale file a complaint to foreclose all rights of redemption of the
22 property to which the certificate relates; and

23 (2) the certificate of the appropriate government agency shall be a part
24 of the complaint to foreclose the rights of redemption.

25 14-847.

26 (a) (1) Except as provided in paragraph (2) of this subsection, the judgment
27 of the court shall direct the collector to execute a deed to the holder of the certificate
28 of sale in fee simple or in leasehold, as appropriate, on payment to the collector of the
29 balance of the purchase price, due on account of the purchase price of the property,
30 together with all taxes and interest and penalties on the property that accrue after
31 the date of sale. The judgment shall direct the supervisor to enroll the holder of the
32 certificate of sale in fee simple or in leasehold, as appropriate, as the owner of the
33 property.

34 (2) In Frederick County, if the collector is absent, the deed may be
35 executed by a deputy collector designated by the collector.

36 (b) The deed shall be prepared by the holder of the certificate of sale or the
37 attorney for the holder of the certificate of sale and all expenses incident to the
38 preparation and execution of the deed shall be paid by the holder of the certificate of
39 sale.

1 (c) The clerk of the court in which the suit is instituted shall issue a certified
2 copy of the judgment of the court to the collector and supervisor and the collector is
3 not obligated to execute the deed provided for in this section until that certified copy
4 of the judgment is delivered to the collector.

5 (d) (1) If the holder of the certificate of sale does not comply with the terms
6 of the final judgment of the court within 90 days as to payments to the collector of the
7 balance of the purchase price due on account of the purchase price of the property and
8 of all taxes, interest, and penalties that accrue after the date of sale, that judgment
9 may be stricken by the court on the motion of an interested party for good cause
10 shown.

11 (2) (I) IN THIS PARAGRAPH, "INTERESTED PARTY" INCLUDES:

12 1. A PLAINTIFF WHO HAS SUCCESSFULLY PETITIONED THE
13 COURT TO APPOINT A RECEIVER; AND

14 2. A RECEIVER APPOINTED PURSUANT TO THE BALTIMORE
15 CITY BUILDING CODE.

16 (II) IN BALTIMORE CITY, IF THE HOLDER OF THE CERTIFICATE OF
17 SALE DOES NOT RECORD THE DEED IN LAND RECORDS WITHIN 30 DAYS OF THE
18 EXECUTION OF THE DEED, THE FINAL JUDGMENT MAY BE STRICKEN BY THE COURT
19 ON THE MOTION OF AN INTERESTED PARTY FOR GOOD CAUSE SHOWN.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 1998.