

HOUSE BILL 1183
EMERGENCY BILL

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1999 Regular Session
9r2582
CF 9r2602

By: **Delegate Finifter**

Introduced and read first time: March 4, 1999

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax - Tax Sales - High-Bid Premiums for Group and Sealed Bid**
3 **Sales**

4 FOR the purpose of requiring collectors of property tax to establish certain high-bid
5 premiums for properties to be sold at a tax sale as part of a group or as part of
6 a sealed bid process; and making this Act an emergency measure.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - Property
9 Section 14-817(a)
10 Annotated Code of Maryland
11 (1994 Replacement Volume and 1998 Supplement)

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

14 **Article - Tax - Property**

15 14-817.

16 (a) (1) (i) The sale shall be held on the day and at the place stated in the
17 notice by advertising.

18 (ii) The sale shall be held in the county in which the land to be sold
19 is located.

20 (iii) If the sale cannot be completed on that day, the collector shall
21 continue the sale as determined by the collector and announced to the bidders at the
22 sale until all property included in the sale is sold.

23 (2) All sales shall be at public auction to the person who makes the
24 highest good faith accepted bid, in fee or leasehold, as the case may be.

25 (3) (i) The collector shall retain any common law or other authority
26 normally granted to an auctioneer conducting a public auction and may refuse to
27 accept bids that are not made in good faith.

1 (ii) The collector may delegate this authority to an auctioneer.

2 (4) The conduct of the sale shall be according to terms set by the
3 collector, and published with a reasonable degree of specificity in the public notice of
4 the tax sale, to ensure the orderly functioning of the public auction and the integrity
5 of the tax sale process, including requirements that potential bidders:

6 (i) establish their eligibility for bidding by presenting evidence of
7 the legal existence of the bidding entity that is satisfactory to the collector;

8 (ii) limit their representation at a tax sale to no more than a single
9 agent per bidding entity; and

10 (iii) refrain from any act, agreement, consent, or conspiracy to
11 suppress, predetermine, rig, or fix the bidding at the sale.

12 (5) (i) If determined by the collector to be in the best public interest
13 and included in the required public notice of the sale, the collector may solicit and
14 accept bids from the highest bidder for any group of properties to be sold at the tax
15 sale.

16 (ii) 1. Upon the request of any individual or group, the collector
17 may remove any individual property or properties from a group of properties to be
18 sold at the tax sale.

19 2. Upon the request of the property owner at least 15 days
20 before the date of the tax sale, the collector shall remove any individual property or
21 properties from a group of properties to be sold at the tax sale.

22 (iii) The collector shall provide notice to the potential bidders of any
23 alterations to a group of properties at the time the bidders become known.

24 (iv) The collector may conduct the sale of a group of properties
25 under this paragraph by a sealed bid process.

26 (V) THE COLLECTOR SHALL ESTABLISH A HIGH-BID PREMIUM
27 UNDER SUBSECTION (B)(2) OF THIS SECTION FOR ALL PROPERTIES TO BE SOLD:

28 1. IN GROUPS; OR

29 2. BY SEALED BID PROCESS.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
31 measure, is necessary for the immediate preservation of the public health and safety,
32 has been passed by a ye and nay vote supported by three-fifths of all the members
33 elected to each of the two Houses of the General Assembly, and shall take effect from
34 the date it is enacted.