

SENATE BILL 535

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2000 Regular Session
0lr2268
CF 0lr2269

By: **Senator McFadden (Baltimore City Administration) and Senators
Mitchell and Hoffman**

Introduced and read first time: February 4, 2000

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City - Release of Liens for Unpaid City Real Property Taxes**

3 FOR the purpose of authorizing the Board of Estimates of Baltimore City to release
4 any liens for unpaid city real property taxes if certain conditions are met,
5 including the Baltimore City Department of Housing and Community
6 Development certifying that the property is vacant and if there is a building or
7 structure on the property that the building or structure is unsafe or unfit for
8 habitation; authorizing the Board of Estimates of Baltimore City to waive the
9 requirement that fair market value is being paid for property if the potential
10 transferee is a nonprofit organization, the Mayor and City Council receives an
11 amount equal to any tax benefit to be derived by the transferor from the
12 transfer, and the transferor's tax debt is reduced by an amount equal to what
13 the Mayor and City Council would receive if the fair market value requirement
14 was not waived; repealing certain provisions that require the Board to give
15 preference to persons or entities who will create homeownership opportunities;
16 providing that the release of a lien for city real property taxes does not abate the
17 transferor's liability for the remaining amount of the tax debt; making a stylistic
18 change; and generally relating to the release of liens for unpaid city real
19 property taxes.

20 BY repealing and reenacting, with amendments,
21 Article - Tax - Property
22 Section 14-806
23 Annotated Code of Maryland
24 (1994 Replacement Volume and 1999 Supplement)

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

27 **Article - Tax - Property**

28 14-806.

29 (a) In this section, "Board" means the Board of Estimates of Baltimore City.

1 (b) (1) To facilitate a transfer of real property the Board may release any
2 liens for unpaid city real property taxes or other charges and assessments imposed by
3 the Mayor and City Council of Baltimore City to which the property would otherwise
4 be subject, if:

5 (i) the total amount of liens for unpaid city real property taxes,
6 charges, and assessments imposed with respect to the property exceeds the lesser of
7 the total value of the land and any improvement on the land as last determined by the
8 Department or as determined by an appraisal report prepared not more than 6
9 months before the request for the release of the lien, by a real estate appraiser who is
10 licensed under Title 16 of the Business Occupations and Professions Article;

11 (ii) [the property is certified by] the Baltimore City Department of
12 Housing and Community Development [to be] CERTIFIES:

13 1. THAT THE PROPERTY IS vacant; and

14 2. IF THERE IS A BUILDING OR STRUCTURE ON THE
15 PROPERTY, THAT THE BUILDING OR STRUCTURE IS:

16 A. unsafe; OR

17 B. unfit for [occupancy; or

18 C. in need of substantial repair] HABITATION;

19 (iii) the potential transferee demonstrates the ability to return the
20 property to productive use within a reasonable period of time;

21 (iv) the Board finds that a transfer under this section is necessary:

22 1. to eliminate a blighting influence; and

23 2. to prevent the tax abandonment of a property; and

24 (v) the potential transferee presents evidence to the Board that fair
25 market value is being paid.

26 (2) The Board may waive the requirement in paragraph (1)(v) of this
27 subsection if:

28 (I) the potential transferee is a nonprofit organization as defined
29 in Article 83B, § 2-203(v) of the [Code.] CODE;

30 (II) THE MAYOR AND CITY COUNCIL RECEIVES AN AMOUNT EQUAL
31 TO ANY TAX BENEFIT TO BE DERIVED BY THE TRANSFEROR FROM THE TRANSFER;
32 AND

33 (III) THE TRANSFEROR'S TAX DEBT IS REDUCED BY AN AMOUNT
34 EQUAL TO WHAT THE MAYOR AND CITY COUNCIL WOULD RECEIVE IF THE
35 REQUIREMENT UNDER PARAGRAPH (1)(V) WERE NOT WAIVED.

1 [(3) (i) If more than one qualified person or entity competes for the real
2 property transfer, preference shall be given to the person or entity which will create
3 homeownership opportunities.

4 (ii) If more than one qualified person or entity competing for the
5 same property transfer will create homeownership opportunities, the Board shall
6 consider other factors in selecting a transferee.]

7 (c) The release of a lien for city real property taxes, charges, or assessments as
8 authorized under subsection (b) of this section [in no way limits the ability of the
9 Mayor and City Council of Baltimore City to seek enforcement of] DOES NOT ABATE
10 the TRANSFEROR'S liability [of the person responsible for the taxes, charges, or
11 assessments] FOR THE REMAINING AMOUNT OF THE TAX DEBT.

12 (d) The Board may set additional standards and requirements for approval of
13 the release of liens under this section.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2000.