

SENATE BILL 535

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2000 Regular Session  
0lr2268  
CF 0lr2269

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

Introduced and read first time: February 4, 2000  
Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: March 31, 2000

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CHAPTER \_\_\_\_\_

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 makes certain certifications about the property;~~ authorizing the  
9 Board of Estimates of Baltimore City to waive ~~the a certain~~ requirement ~~that~~  
10 ~~fair market value is being paid for property if the potential transferee is a~~  
11 ~~nonprofit organization, if the Mayor and City Council receives an amount equal~~  
12 ~~to any receive a certain tax benefit to be derived by the transferor from the~~  
13 ~~transfer, and the transferor's tax debt is reduced by an amount equal to what~~  
14 ~~the Mayor and City Council would receive if the fair market value requirement~~  
15 ~~was not waived from the transferor; requiring that a certain transferor's~~  
16 ~~property tax debt is reduced by a certain amount under certain conditions;~~  
17 repealing certain provisions that require the Board to give preference to persons  
18 or entities who will create homeownership opportunities; providing that the  
19 release of a lien for city real property taxes does not abate the transferor's  
20 liability for the remaining amount of the tax debt; making a stylistic change;  
21 and generally relating to the release of liens for unpaid city real property taxes.

22 BY repealing and reenacting, with amendments,  
23 Article - Tax - Property  
24 Section 14-806  
25 Annotated Code of Maryland

1 (1994 Replacement Volume and 1999 Supplement)

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

4 **Article - Tax - Property**

5 14-806.

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

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

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

17 (ii) [the property is certified by] the Baltimore City Department of  
18 Housing and Community Development [to be] CERTIFIES THAT THE PROPERTY:

19 1. ~~THAT THE PROPERTY IS~~ IS A vacant LOT; and OR

20 2. ~~IF THERE IS A BUILDING OR STRUCTURE ON THE~~  
21 ~~PROPERTY, THAT THE BUILDING OR STRUCTURE IS~~ HAS A BUILDING OR STRUCTURE  
22 THAT IS:

23 A. VACANT; AND

24 ~~A. B. unsafe; OR~~

25 ~~B. OR~~ unfit for [occupancy; or

26 C. in need of substantial repair] HABITATION;

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

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

30 1. to eliminate a blighting influence; and

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

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

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

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

5 ~~(II) THE MAYOR AND CITY COUNCIL RECEIVES AN AMOUNT EQUAL~~  
6 ~~TO ANY TAX BENEFIT TO BE DERIVED BY THE TRANSFEROR FROM THE TRANSFER;~~  
7 ~~AND~~

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

11 (II) THE MAYOR AND THE CITY COUNCIL RECEIVES FROM THE  
12 TRANSFEROR AN AMOUNT EQUAL TO ANY FEDERAL, STATE, OR LOCAL INCOME TAX  
13 BENEFIT REALIZED BY THE TRANSFEROR AS A RESULT OF A DEDUCTION FROM  
14 INCOME FOR A CHARITABLE CONTRIBUTION OF THE PROPERTY TO A NONPROFIT  
15 ORGANIZATION.

16 (3) IF THE CONDITIONS IN PARAGRAPH (2) OF THIS SUBSECTION ARE  
17 MET, THE TRANSFEROR'S PROPERTY TAX DEBT SHALL BE REDUCED BY AN AMOUNT  
18 EQUAL TO THE FAIR MARKET VALUE OF THE TRANSFERRED PROPERTY.

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

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

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

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

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

