
By: **Montgomery County Delegation**

Introduced and read first time: February 9, 2001

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County - Property Tax Sales - High-Bid Premiums for Group**
3 **and Sealed Bid Sales**
4 **MC 108-01**

5 FOR the purpose of exempting Montgomery County from a certain requirement that
6 a tax collector establish high-bid premiums for properties to be sold at certain
7 tax sales; and generally relating to tax sales in Montgomery County.

8 BY repealing and reenacting, with amendments,
9 Article - Tax - Property
10 Section 14-817(a)(5)
11 Annotated Code of Maryland
12 (1994 Replacement Volume and 2000 Supplement)

13 BY repealing and reenacting, without amendments,
14 Article - Tax - Property
15 Section 14-817(b)(2)
16 Annotated Code of Maryland
17 (1994 Replacement Volume and 2000 Supplement)

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

20 **Article - Tax - Property**

21 14-817.

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

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

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

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

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

11 (v) [The] EXCEPT IN MONTGOMERY COUNTY, THE collector shall
12 establish a high-bid premium under subsection (b)(2) of this section for all properties
13 to be sold:

14 1. in groups; or

15 2. by sealed bid process.

16 (b) (2) (i) The collector may establish a high-bid premium to be applied to
17 all properties to be sold at the tax sale.

18 (ii) Except as provided in subparagraph (iii) of this paragraph, the
19 high-bid premium shall be 20% of the amount by which the highest bid exceeds 40%
20 of the property's full cash value.

21 (iii) For property assessed under agricultural use assessment, the
22 high-bid premium shall be 20% of the amount by which the highest bid exceeds the
23 appropriate value determined by the collector.

24 (iv) In addition to the amounts payable under paragraph (1) of this
25 subsection, the highest bidder shall pay a high-bid premium if the collector:

26 1. determines that a high-bid premium shall be used for the
27 tax sale; and

28 2. indicates in the public notice of the sale that the high-bid
29 premium will be applied.

30 (v) The collector shall refund the high-bid premium, without
31 interest, to:

32 1. the holder of the tax sale certificate on redemption of the
33 property for which the high-bid premium was paid; or

34 2. the plaintiff in an action to foreclose the right of
35 redemption on delivery of a tax sale deed for the property for which the high-bid
36 premium was paid.

1 (vi) The high-bid premium is not refundable after the time required
2 under § 14-833 of this subtitle for an action to foreclose the right of redemption if
3 there has been no redemption and if an action to foreclose the right of redemption has
4 not been filed within that time.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2001.