
By: **Montgomery County Delegation**
Introduced and read first time: February 9, 2001
Assigned to: Ways and Means

Committee Report: Favorable
House action: Adopted
Read second time: March 21, 2001

CHAPTER _____

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:

1 **Article - Tax - Property**

2 14-817.

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

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

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

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

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

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

20 1. in groups; or

21 2. by sealed bid process.

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

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

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

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

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

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

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

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

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

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

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