

SENATE BILL 737

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2001 Regular Session  
11r2489  
CF 11r2480

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By: **Senator McFadden**

Introduced and read first time: February 2, 2001

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City - Abandoned Property Subject to Ground Rent - Tax Sales**

3 FOR the purpose of providing that, at a tax sale of certain abandoned property in  
4 Baltimore City that is subject to a ground rent or lease for a term of years  
5 renewable forever, the collector shall sell the whole fee simple interest in the  
6 property; and generally relating to tax sales of certain abandoned property in  
7 Baltimore City that is subject to a ground rent or lease for a term of years  
8 renewable forever.

9 BY repealing and reenacting, with amendments,  
10 Article - Tax - Property  
11 Section 14-816  
12 Annotated Code of Maryland  
13 (1994 Replacement Volume and 2000 Supplement)

14 BY repealing and reenacting, without amendments,  
15 Article - Tax - Property  
16 Section 14-817(c)  
17 Annotated Code of Maryland  
18 (1994 Replacement Volume and 2000 Supplement)

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

21 **Article - Tax - Property**

22 14-816.

23 (a) [When] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,  
24 WHEN any property subject to sale under this subtitle is subject to a ground rent or  
25 lease for a term of years renewable forever, the collector shall sell the leasehold  
26 interest only, with the improvements erected on the leasehold interest, if any;  
27 provided, however, that any property sold, subject to a ground rent or lease under this  
28 section, to a bona fide purchaser for value or the government of the jurisdiction

1 conducting the sale, upon foreclosure of the rights of redemption, is not subject to any  
2 claim for rent unpaid, due, or accruing prior to the date of the judgment of foreclosure.

3 (B) IF ABANDONED PROPERTY IN BALTIMORE CITY DESCRIBED IN § 14-817(C)  
4 OF THIS SUBTITLE IS SUBJECT TO A GROUND RENT OR LEASE FOR A TERM OF YEARS  
5 RENEWABLE FOREVER, THE COLLECTOR SHALL SELL THE WHOLE FEE SIMPLE  
6 INTEREST IN THE PROPERTY.

7 [(b)] (C) The termination of claims on property sold under subsection (a) of  
8 this section shall not foreclose any personal claims against previous holders of the  
9 interest sold, for rent unpaid, due, or accruing prior to the date of the judgment of  
10 foreclosure.

11 14-817.

12 (c) (1) In Baltimore City, abandoned property consisting of either a vacant  
13 lot or improved property cited as vacant and unfit for habitation on a housing or  
14 building violation notice may be sold for a sum less than the total amount of:

15 (i) all taxes on the property that are certified to the collector under  
16 § 14-810 of this subtitle;

17 (ii) interest and penalties on the taxes; and

18 (iii) expenses incurred in making the sale.

19 (2) The collector shall establish a minimum bid for abandoned property  
20 sold under this subsection.

21 (3) The person responsible for the taxes prior to the sale shall remain  
22 liable to the collector for the difference between the amount received in the tax sale  
23 under this section and the taxes, interest, penalties, and expenses remaining after  
24 the sale.

25 (4) The balance remaining after the tax sale shall be included in the  
26 amount necessary to redeem the property under § 14-828 of this subtitle.

27 (5) In a proceeding to foreclose the right of redemption under this  
28 subtitle, the complaint shall request a judgment for the city in the amount of the  
29 balance.

30 (6) The balance remaining after the tax sale is no longer a lien on the  
31 property when:

32 (i) a judgment is entered foreclosing the owner's right of  
33 redemption;

34 (ii) the deed is recorded; and

35 (iii) all liens accruing subsequent to the date of sale are paid in full.

1                   (7)       The Mayor and City Council may institute a separate action to collect  
2 the balance at any time within 7 years after the tax sale if the plaintiff is a private  
3 purchaser.

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