

**SENATE BILL 378**  
**EMERGENCY BILL**

Unofficial Copy  
Q1

2002 Regular Session  
(2r1183)

***ENROLLED BILL***  
***-- Budget and Taxation/Ways and Means --***

Introduced by **Senator McFadden (Baltimore City Administration) and  
Senators Blount and Hoffman**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **~~Property Tax~~ Baltimore City - Tax Sales - High-Bid Premium**

3 FOR the purpose of altering the calculation of a certain high-bid premium imposed on  
4 the sale of property at certain tax sales in Baltimore City; making this Act an  
5 emergency measure; and generally relating to the calculation of the high-bid  
6 premium at tax sales in Baltimore City.

7 BY repealing and reenacting, with amendments,  
8 Article - Tax - Property  
9 Section 14-817(b)  
10 Annotated Code of Maryland  
11 (2001 Replacement Volume and 2001 Supplement)

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

**Article - Tax - Property**

2 14-817.

3 (b) (1) Except as provided in subsection (c) of this section, property may not  
4 be sold for a sum less than the total amount of all taxes on the property that are  
5 certified to the collector under § 14-810 of this subtitle, together with interest and  
6 penalties on the taxes and the expenses incurred in making the sale, and the lien for  
7 the taxes, interest, penalties, and expenses passes to the purchaser.

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

10 (ii) Except as provided in ~~subparagraph~~ SUBPARAGRAPHS(iii) AND  
11 (IV) of this paragraph, the high-bid premium shall be 20% of the amount by which the  
12 highest bid exceeds ~~THE GREATER OF:~~

13 ~~1. THE LIEN AMOUNT; OR~~

14 ~~2. 40% of the property's full cash value.~~

15 (III) EXCEPT AS PROVIDED IN SUBPARAGRAPH (IV) OF THIS  
16 PARAGRAPH, IN BALTIMORE CITY, THE HIGH-BID PREMIUM SHALL BE 20% OF THE  
17 AMOUNT BY WHICH THE HIGHEST BID EXCEEDS THE GREATER OF:

18 1. THE LIEN AMOUNT; OR

19 2. 40% OF THE PROPERTY'S FULL CASH VALUE.

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

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

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

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

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

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

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

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

5     ~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect~~  
6 ~~July 1, 2002.~~

7     SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an  
8 emergency measure, is necessary for the immediate preservation of the public health  
9 or safety, has been passed by a yea and nay vote supported by three-fifths of all the  
10 members elected to each of the two Houses of the General Assembly, and shall take  
11 effect from the date it is enacted.