

SENATE BILL 780

Unofficial Copy
Q1
SB 737/01 - B&T

2002 Regular Session
2lr2688
CF 2lr2689

By: **Senator McFadden (Baltimore City Administration)**

Introduced and read first time: February 7, 2002

Assigned to: Rules

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 (2001 Replacement Volume and 2001 Supplement)

14 BY repealing and reenacting, without amendments,
15 Article - Tax - Property
16 Section 14-817(c)
17 Annotated Code of Maryland
18 (2001 Replacement Volume and 2001 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, 2002.