

SENATE BILL 468

Q1, R1, N1

2lr1917

By: **Senator Edwards**

Introduced and read first time: February 2, 2012

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Acquisition by State Highway Administration – Unpaid**
3 **Assessments**

4 FOR the purpose of expanding to additional types of assessments the application of
5 certain provisions of law relating to the acquisition by the State Highway
6 Administration of real property that is subject to an unpaid assessment;
7 providing that the amount of any assessment imposed by the State, a county, a
8 municipality, or other political subdivision that is unpaid at the time real
9 property is acquired by the Administration becomes due and constitutes a lien
10 on the property; providing that the amount of an assessment that becomes due
11 is limited to the amount attributable to that part of the property that is
12 acquired by the Administration; requiring the Administration to provide for
13 payment of an unpaid assessment on real property acquired other than through
14 condemnation in a certain manner; requiring the amount of an unpaid
15 assessment on real property acquired by condemnation to be paid in a certain
16 manner; defining certain terms; making conforming changes; and generally
17 relating to the payment of unpaid assessments on real property acquired by the
18 State Highway Administration.

19 BY repealing and reenacting, with amendments,
20 Article – Real Property
21 Section 3–104(b)(1)
22 Annotated Code of Maryland
23 (2010 Replacement Volume and 2011 Supplement)

24 BY repealing and reenacting, without amendments,
25 Article – Real Property
26 Section 3–104(b)(2)
27 Annotated Code of Maryland
28 (2010 Replacement Volume and 2011 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Transportation
3 Section 8–307
4 Annotated Code of Maryland
5 (2008 Replacement Volume and 2011 Supplement)

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

8 **Article – Real Property**

9 3–104.

10 (b) (1) Except as provided in subsection (c) of this section **AND SUBJECT**
11 **TO § 8–307 OF THE TRANSPORTATION ARTICLE**, property may not be transferred
12 on the assessment books or records until:

13 (i) All public taxes, assessments, and charges currently due and
14 owed on the property have been paid to the treasurer, tax collector, or director of
15 finance of the county in which the property is assessed; and

16 (ii) All taxes on personal property in the county due by the
17 transferor have been paid when all land owned by him in the county is being
18 transferred.

19 (2) The certificate of the collecting agent designated by law, showing
20 that all taxes, assessments, and charges have been paid, shall be endorsed on the
21 deed, and the endorsement shall be sufficient authority for transfer on the assessment
22 books.

23 **Article – Transportation**

24 8–307.

25 **(A) (1) (I) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
26 **MEANINGS INDICATED.**

27 **(II) “ASSESSMENT” INCLUDES ANY PUBLIC TAX,**
28 **ASSESSMENT, OR OTHER CHARGE ON REAL PROPERTY IMPOSED BY THE STATE,**
29 **A COUNTY, A MUNICIPALITY, OR OTHER POLITICAL SUBDIVISION, INCLUDING A**
30 **SPECIAL TAXING DISTRICT.**

31 **(III) “COLLECTING AGENT” INCLUDES:**

32 **1. A COUNTY TREASURER, TAX COLLECTOR, OR**
33 **DIRECTOR OF FINANCE;**

1 **2. A SPECIAL TAXING DISTRICT; OR**

2 **3. ANY OTHER PERSON DESIGNATED BY LAW TO**
3 **COLLECT AN ASSESSMENT.**

4 **[(a)] (B)** (1) Subject to paragraph (2) of this subsection, if any property
5 acquired under this subtitle is subject to **[a front-foot or other benefit] AN** assessment
6 **[levied by a special tax district]**, the amount of the assessment unpaid at the date of
7 the acquisition, including any interest on the assessment accrued to that date,
8 immediately becomes due and payable to the **[special tax district] COLLECTING**
9 **AGENT** and constitutes a lien against the property.

10 (2) If the property acquired is only a part of a larger lot, parcel, or
11 other unit of land on which a single assessment is levied, the amount of the unpaid
12 assessment and accrued interest that becomes due and payable and subject to this
13 section is limited to that percentage of the full assessment and interest that is
14 equitably attributable to the part acquired, computed and prorated in accordance with
15 the basis, whether **AD VALOREM**, front footage, size, number of units, or otherwise, by
16 which the full assessment was computed for and levied on the entire lot, parcel, or
17 other unit.

18 **[(b)] (C)** If the property is acquired otherwise than by condemnation, the
19 Administration, before final settlement with the property owner, shall provide for
20 payment of the unpaid amount of the assessment to the **[special tax district]**
21 **COLLECTING AGENT** by deducting this amount from the total amount to be paid to
22 the property owner. Until the assessment is paid and the lien satisfied, a deed
23 evidencing the acquisition may not be recorded among the land records of the county.

24 **[(c)] (D)** (1) If the property is acquired by condemnation, the provisions
25 of this subsection apply.

26 (2) If the **[special tax district] COLLECTING AGENT** is not a party to
27 the condemnation proceeding, the jury may consider the amount of the unpaid
28 assessment in determining the amount of damages. If it does so, the property owner is
29 entitled to the full amount awarded for the property value, and the amount due for the
30 unpaid assessment shall be paid by the Administration to the **[special tax district]**
31 **COLLECTING AGENT**. If it does not do so, the Administration shall provide for the
32 payment of the unpaid assessment as required by subsection **[(b)] (C)** of this section.

33 (3) If the **[special tax district] COLLECTING AGENT** is a party to the
34 condemnation proceeding, the jury shall make:

35 (i) An award in favor of the **[special tax district] COLLECTING**
36 **AGENT** for the unpaid amount of the assessment; and

1 (ii) A separate award in favor of the property owner for the
2 value of the property, less the unpaid amount of the assessment.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2012.