

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL 1209
(Third Reading File Bill)

AMENDMENT NO. 1

On pages 1 and 2, strike beginning with “requiring” in line 8 on page 1 through “court;” in line 21 on page 2 and substitute “authorizing the governing body of a county or a municipal corporation to withhold from tax sale a dwelling owned by a homeowner who meets certain criteria; requiring certain notices sent to property owners whose properties are subject to tax sale to include a certain summary of the tax sale process and certain information concerning the State Tax Sale Ombudsman.”

On page 2, strike beginning with “authorizing” in line 27 down through “rules;” in line 28; strike beginning with “providing” in line 28 down through the first “date;” in line 30; strike beginning with “14–873” in line 34 down through “Reports”” in line 36 and substitute “and 14–873 and 14–874 to be under the new part “Part V. Tax Sale Reports””; and in line 41, strike “14–603(a) and 14–811(a)” and substitute “14–812”.

On page 3, in line 2, strike “14–801(d)” and substitute “14–817.1”.

AMENDMENT NO. 2

On page 3, strike in their entirety lines 16 and 17 and substitute:

“(2) “HOMEOWNER” HAS THE MEANING STATED IN § 9–105 OF THIS ARTICLE.”;

and in line 27, strike **“ELIGIBLE”**.

On page 4, in lines 1, 3, 5, 6, 14, 16, and 24, in each instance, strike **“ELIGIBLE”**; in line 15, after **“SITUATION;”** insert **“AND”**; and strike beginning with semicolon in line 18 down through **“BASIS”** in line 21.

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AMENDMENT NO. 3

On pages 4 through 12, strike in their entirety the lines beginning with line 26 on page 4 through line 13 on page 12, inclusive, and substitute:

“14–811.

(E) (1) IN THIS SUBSECTION, “DWELLING” AND “HOMEOWNER” HAVE THE MEANINGS STATED IN § 9–105 OF THIS ARTICLE.

(2) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY WITHHOLD FROM SALE A DWELLING OWNED BY A HOMEOWNER WHO IS LOW-INCOME, AT LEAST 65 YEARS OLD, OR DISABLED IF THE HOMEOWNER MEETS ELIGIBILITY CRITERIA ESTABLISHED BY THE COUNTY OR MUNICIPAL CORPORATION.

14–812.

(a) (1) At least 30 days before any property is first advertised for sale under this subtitle, the collector shall have mailed to the person who last appears as owner of the property on the collector’s tax roll, at the last address shown on the tax roll, a statement giving the name of the person, and the amounts of taxes due.

(2) On the statement required under paragraph (1) of this subsection there shall also appear the following notice:

.....

“Date”

This Is a Final Bill and Legal Notice to the Person Whose Name Appears on This Notice.”

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"According to the collector's tax roll you are the owner of the property appearing on this notice. Some of the taxes listed are in arrears. Notice is given you that unless all taxes in arrears are paid on or before 30 days from the above date, the collector will proceed to sell the above property to satisfy your entire indebtedness. Interest and penalties must be added to the total at the time of payment."

(b) The mailing required under subsection (a) of this section shall include a separate insert that includes the following:

(1) A CLEAR, CONCISE, AND EASILY UNDERSTANDABLE SUMMARY OF THE TAX SALE PROCESS NOT EXCEEDING ONE PAGE IN LENGTH THAT INCLUDES A SIMPLE EXPLANATION OF THE STEPS THAT A PROPERTY OWNER IS REQUIRED TO TAKE TO RETAIN THE PROPERTY AT EACH STAGE IN THE PROCESS;

[(1)] (2) the statement "If this property is your principal residence and you are having difficulty paying the taxes on the property, there are programs that may help you.";

(3) A STATEMENT THAT THE STATE TAX SALE OMBUDSMAN ESTABLISHED UNDER § 2-112 OF THIS ARTICLE OR THE COUNTY TAX SALE OMBUDSMAN, IF APPLICABLE, IS AVAILABLE TO:

(I) ANSWER QUESTIONS ABOUT THE TAX SALE PROCESS; AND

(II) ASSIST HOMEOWNERS WITH APPLYING FOR TAX CREDITS AND OTHER BENEFITS THAT MAY HELP HOMEOWNERS TO PAY DELINQUENT TAXES AND RETAIN THEIR HOMES;

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**(4) THE TOLL-FREE TELEPHONE NUMBER AND WEBSITE ADDRESS
OF THE STATE TAX SALE OMBUDSMAN OR THE COUNTY TAX SALE OMBUDSMAN,
IF APPLICABLE;**

[(2)] (5) a statement that free counseling is available to help
homeowners make plans to pay their bills and keep their homes by calling the telephone
number of:

- (i) the Homeowner's HOPE Hotline; or
- (ii) another similar local housing counseling service chosen by the
collector;

[(3)] (6) the following information concerning the homeowners'
property tax credit under § 9–104 of this article:

(i) the statement “The homeowners’ property tax credit may
significantly reduce the property taxes you owe if you have limited income and assets.
You may be eligible for the credit at any age, but if you are 70 years old or older, you
may be eligible for a special benefit that may reduce the taxes you owe for the past 3
years.”; and

(ii) the website address and telephone number of the State
[Department of Assessments and Taxation] TAX SALE OMBUDSMAN where more
information is available about the homeowners’ property tax credit and how to apply;

[(4)] (7) if the collector uses the tax sale process to enforce a lien for
unpaid charges for water or sewer service and a water or sewer utility serving the
collector’s jurisdiction offers a program for discounted water or sewer rates for low-
income customers:

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(i) a brief description of the program for discounted water or sewer rates for low-income customers; and

(ii) information on how to apply for the program, including, if applicable, a website address and telephone number where more information and applications are available; and

[(5)] (8) any other information that may assist low-income homeowners in avoiding tax sale costs or foreclosure that the collector considers appropriate.

(c) For any individual who last appears as an owner of the property on the collector's tax roll who has been listed as an owner of the property on the collector's tax roll for at least the last 25 years, the collector shall provide, at least 30 days before the property is first advertised, a list that includes the individual's name and address and notice to the area agency, as defined in § 10-101 of the Human Services Article.

(d) Failure of the collector to mail the statement and notice to the last address of the person last assessed for the property, as it appears on the collector's tax roll, to mail, if applicable, a list including the name and address of an individual receiving the statement who has been listed as an owner of the property on the collector's tax roll for at least the last 25 years and notice to the area agency, or to include any taxes in the statement and notice, does not invalidate or otherwise affect any tax, except a tax that is required to be but has not been certified as provided in § 14-810 of this subtitle, or any sale made under this subtitle to enforce payment of taxes, nor prevent nor stay any proceedings under this subtitle, nor affect the title of any purchaser.

14-817.1.

(a) Within 60 days after a property is sold at a tax sale, the collector shall send to the person who last appears as owner of the property on the collector's tax roll, at the last address shown on the tax roll, a notice that includes:

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- (1) a statement that the property has been sold to satisfy unpaid taxes;
- (2) the date of the tax sale;
- (3) the amount of the highest bid;
- (4) the lien amount on the property at the time of sale;
- (5) a statement that the owner has the right to redeem the property until a court forecloses that right;
- (6) a statement that the purchaser of the property may institute an action to foreclose the property:
 - (i) as early as 6 months from the date of the sale; or
 - (ii) if a government agency certifies that the property requires, or shall require, substantial repair to comply with applicable building codes, as early as 60 days from the date of the sale;
- (7) a statement that if the property is redeemed before an action to foreclose the right of redemption is filed, the amount that shall be paid to redeem the property is:
 - (i) the total lien amount on the property at the time of sale, with interest;
 - (ii) any taxes, interest, and penalties paid by the holder of the certificate of sale; and

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(iii) any taxes, interest, and penalties accruing after the date of the tax sale;

(8) a statement that, if the property is redeemed more than 4 months after the date of the tax sale, and before an action to foreclose the right of redemption is filed, the holder of the certificate of sale may be reimbursed for:

(i) attorney's fees for recording the certificate of sale;

(ii) a title search fee, not to exceed \$250; and

(iii) reasonable attorney's fees, not to exceed \$500;

(9) a statement that, if the property is redeemed after an action to foreclose the right of redemption has been filed, the amount that shall be paid to redeem the property is the sum of:

(i) the total lien amount on the property at the time of sale, with interest;

(ii) any taxes, interest, and penalties paid by the holder of the certificate of sale;

(iii) any taxes, interest, and penalties accruing after the date of the tax sale; and

(iv) attorney's fees and expenses to which the holder of the certificate of sale may be entitled under § 14-843(a)(4) and (5) of this subtitle; and

(10) the provisions of § 14-843(a) of this subtitle, reproduced as they appear in the Code.

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(b) The notice required under subsection (a) of this section shall be sent by first-class mail.

(c) The mailing required under this section shall include a separate insert that includes all of the information required under § 14-812(b) of this subtitle.

14-871. RESERVED.

14-872. RESERVED.

PART V. TAX SALE REPORTS.

14-873.”.

AMENDMENT NO. 4

On page 12, in line 16, strike “**OR PART V**”; and strike beginning with “AN” in line 23 down through “SUBTITLE” in line 24 and substitute “A HOMEOWNER AS DEFINED IN § 9-105 OF THIS ARTICLE”.

On page 13, strike in their entirety lines 8 through 26, inclusive, and substitute:

“(C) THE DEPARTMENT SHALL OBTAIN:

(1) THE NUMBER OF COUNTIES AND MUNICIPAL CORPORATIONS THAT HAVE WITHHELD FROM SALE UNDER § 14-811(E) OF THIS SUBTITLE A DWELLING OWNED BY A HOMEOWNER WHO IS LOW-INCOME, AT LEAST 65 YEARS OLD, OR DISABLED;

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(2) THE ELIGIBILITY CRITERIA USED BY EACH COUNTY AND MUNICIPAL CORPORATION TO WITHHOLD A DWELLING FROM SALE UNDER § 14-811(E) OF THIS SUBTITLE; AND

(3) THE NUMBER OF DWELLINGS WITHHELD FROM SALE BY EACH COUNTY AND MUNICIPAL CORPORATION UNDER § 14-811(E) OF THIS SUBTITLE.

14-874.”;

and in line 28, strike “**14-881**” and substitute “**14-873**”.

On page 14, strike in their entirety lines 5 through 8, inclusive; in line 9, strike “6.” and substitute “2.”; and strike beginning with “That,” in line 9 down through “Act,” in line 10 and substitute “That”.