A BILL ENTITLED

AN ACT concerning

Baltimore City – Tax Sales – Nonprofit Entity–Owned Real Property

FOR the purpose of requiring the tax collector in Baltimore City to withhold from tax sale real property that is owned by a nonprofit entity that is exempt from property taxation and receives less than a certain amount of annual donations; prohibiting Baltimore City from selling a property for unpaid charges for water and sewer service if the property is owned by a nonprofit entity that is exempt from property taxation and receives less than a certain amount of annual donations; and generally relating to tax sales of properties in Baltimore City.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 14–811(b) and 14–849.1

Annotated Code of Maryland

(2019 Replacement Volume and 2021 Supplement)

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

Article – Tax – Property

14–811.

(b) (1) The collector may withhold from sale any residential property, when the total taxes on the property, including interest and penalties, amount to less than $750.

(2) In Baltimore City, the collector shall withhold from sale:

(I) owner–occupied residential property, when the total taxes on the property, including interest and penalties, amount to less than $750; AND

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.
(II) REAL PROPERTY THAT IS OWNED BY A NONPROFIT ENTITY THAT IS EXEMPT FROM TAXATION UNDER § 7–202 OF THIS ARTICLE AND COLLECTS LESS THAN $750,000 IN ANNUAL DONATIONS, EXCLUSIVE OF GOVERNMENT FUNDS.

(3) In Baltimore City, the collector shall withhold from sale residential property or property that is exempt from taxation under § 7–204(1) or (2) of this article, if the taxes on the property consist only of a lien for unpaid charges for water and sewer service.

14–849.1.

(a) In Baltimore City, the Mayor and City Council may not sell a property to enforce a lien for unpaid charges for water and sewer service unless:

(1) the lien is for at least $350;

(2) the property is not:

(i) a residential property; [or]

(ii) real property that is exempt from taxation under § 7–204(1) or (2) of this article; [and] OR

(III) REAL PROPERTY THAT IS OWNED BY A NONPROFIT ENTITY THAT IS EXEMPT FROM TAXATION UNDER § 7–202 OF THIS ARTICLE AND COLLECTS LESS THAN $750,000 IN ANNUAL DONATIONS, EXCLUSIVE OF GOVERNMENT FUNDS;

AND

(3) the unpaid charges for water and sewer service are at least 3 quarters in arrears.

(b) Notwithstanding subsection (a) of this section, the Mayor and City Council may enforce a lien on a property other than [residential property or real property that is exempt from taxation under § 7–204(1) or (2) of this article] PROPERTY DESCRIBED IN SUBSECTION (A)(2) OF THIS SECTION for unpaid water and sewer service that is less than $350 if the property is being sold to enforce another lien.

(c) This section does not affect any other right or remedy of Baltimore City for the collection of a water and sewer service charge.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2022.