

HOUSE BILL 1196

Q1

(2lr2453)

ENROLLED BILL

— Ways and Means/Budget and Taxation —

Introduced by **Delegate C. Branch**

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.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Tax Sales – Alternative Collection Programs**

3 FOR the purpose of ~~authorizing a county or municipal corporation to withhold from tax sale~~
4 ~~property that meets objective criteria established by law by the governing body of~~
5 ~~the county or municipal corporation; repealing the termination date of the authority~~
6 ~~of a county or municipal corporation to withhold from tax sale owner-occupied~~
7 ~~residential property and requiring the property to meet certain criteria;~~ authorizing
8 a county or municipal corporation to withhold from tax sale a residential property or
9 a property owned by a nonprofit organization that is enrolled in a payment program
10 established by law by the governing body of the county or municipal corporation;
11 authorizing a county or municipal corporation to cancel or postpone a tax sale during
12 a state of emergency; and generally relating to the tax sales of property.

13 BY repealing and reenacting, without amendments,
14 Article – Tax – Property

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 Section 14-808(a)(1) ~~and 14-811(b), (c), and (f)~~
 2 Annotated Code of Maryland
 3 (2019 Replacement Volume and 2021 Supplement)

4 BY repealing and reenacting, with amendments,
 5 Article – Tax – Property
 6 Section 14-811(a)(1)
 7 Annotated Code of Maryland
 8 (2019 Replacement Volume and 2021 Supplement)

9 ~~BY repealing~~
 10 ~~Article – Tax – Property~~
 11 ~~Section 14-811(e) and (d)~~
 12 ~~Annotated Code of Maryland~~
 13 ~~(2019 Replacement Volume and 2021 Supplement)~~

14 ~~BY adding to~~
 15 ~~Article – Tax – Property~~
 16 ~~Section 14-811(e) and (d)~~
 17 ~~Annotated Code of Maryland~~
 18 ~~(2019 Replacement Volume and 2021 Supplement)~~

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

21 **Article – Tax – Property**

22 14-808.

23 (a) (1) Except for property that has been transferred by a municipality or
 24 county to a land bank authority established under § 1-1403 of the Local Government
 25 Article, and except as provided under § 14-811 of this subtitle, the collector shall proceed
 26 to sell and shall sell under this subtitle, at the time required by local law but in no case,
 27 except in Baltimore City, later than 2 years from the date the tax is in arrears, all property
 28 in the county in which the collector is elected or appointed on which the tax is in arrears.

29 14-811.

30 (a) (1) Except as provided in [subsections (b) and (e) of] this section, the
 31 collector may withhold from sale any property, when the total taxes on the property,
 32 including interest and penalties, amount to less than \$250 in any 1 year.

33 (2) [During the period from June 1, 2021, through June 30, 2023, the] THE
 34 governing body of a county or municipal corporation may withhold from sale
 35 owner-occupied residential property *THAT MEETS OBJECTIVE CRITERIA ESTABLISHED*
 36 *BY THE GOVERNING BODY OF THE COUNTY OR MUNICIPAL CORPORATION.*

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

3 (2) In Baltimore City, the collector shall withhold from sale
4 owner-occupied residential property, when the total taxes on the property, including
5 interest and penalties, amount to less than \$750.

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

10 ~~¶~~(c) Except as provided in subsection (d) of this section, the governing body of a
11 county or municipal corporation may withhold from sale property that has been designated
12 for redevelopment purposes if:

13 (1) the county or municipal corporation certifies that the property:

14 (i) is a vacant lot; or

15 (ii) has a building or structure that is:

16 1. vacant; and

17 2. unsafe or unfit for habitation;

18 (2) the governing body of the county or municipal corporation finds that
19 withholding the property from sale under this subsection is necessary:

20 (i) to eliminate a blighting influence; and

21 (ii) to prevent the tax abandonment of the property; and

22 (3) the property meets any additional objective criteria established by the
23 governing body of the county or municipal corporation for withholding property from sale
24 for redevelopment purposes.†

25 ~~(c)~~ **(D) (1) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL**
26 **CORPORATION MAY WITHHOLD FROM SALE ~~ANY~~ A RESIDENTIAL PROPERTY OR A**
27 **PROPERTY OWNED BY A NONPROFIT ORGANIZATION IF:**

28 ~~(1) THE PROPERTY MEETS OBJECTIVE CRITERIA ESTABLISHED~~
29 ~~BY LAW BY THE GOVERNING BODY OF THE COUNTY OR MUNICIPAL CORPORATION~~
30 ~~FOR WITHHOLDING PROPERTY FROM SALE; OR~~

1 ~~(H)~~ THE PROPERTY IS ENROLLED IN A PAYMENT PROGRAM
2 ESTABLISHED BY LAW BY THE GOVERNING BODY OF THE COUNTY OR MUNICIPAL
3 CORPORATION FOR THE PAYMENT OF TAXES IN ARREARS.

4 (2) IF THE GOVERNING BODY OF A COUNTY OR MUNICIPAL
5 CORPORATION WITHHOLDS PROPERTY FROM SALE UNDER PARAGRAPH (1) OF THIS
6 SUBSECTION, THE GOVERNING BODY SHALL ARRANGE FOR THE PAYMENT TO THE
7 STATE OF ANY STATE PROPERTY TAXES IN ARREARS ON THE PROPERTY.

8 ~~(d)~~ (E) Baltimore City may withhold from sale property that has been
9 designated for redevelopment purposes if the property meets objective criteria established
10 by the Mayor and City Council of Baltimore City.‡

11 ~~(D)~~ (F) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL
12 CORPORATION MAY CANCEL OR POSTPONE A TAX SALE DURING A STATE OF
13 EMERGENCY DECLARED:

14 (1) BY THE GOVERNOR IN ACCORDANCE WITH TITLE 14 OF THE
15 PUBLIC SAFETY ARTICLE; OR

16 (2) BY A COUNTY OR MUNICIPAL CORPORATION IN ACCORDANCE
17 WITH STATE AND LOCAL LAW.

18 ~~(e)~~ (G) The collector shall withhold from sale under this part of this subtitle
19 any real property designated by the governing body of a county or municipal corporation
20 for foreclosure and sale under Part V of this subtitle.

21 ~~(H)~~ (H)(1) In this subsection, “dwelling” and “homeowner” have the meanings
22 stated in § 9–105 of this article.

23 (2) The governing body of a county or municipal corporation may withhold
24 from sale a dwelling owned by a homeowner who is low-income, at least 65 years old, or
25 disabled if the homeowner meets eligibility criteria established by the county or municipal
26 corporation.

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