

HOUSE BILL 21

Q1

3lr0860

(PRE-FILED)

By: **Delegate Atterbeary**

Requested: November 17, 2022

Introduced and read first time: January 11, 2023

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 14, 2023

CHAPTER _____

1 AN ACT concerning

2 **Property Tax – Tax Sales – Notices and Payoff Amount for Redemption**

3 FOR the purpose of requiring that the holder of a certificate of sale include the e-mail
4 address of certain persons in certain notices required to be sent to certain persons
5 with an interest in a property that is sold at a tax sale; authorizing ~~the owner of~~
6 certain persons with an interest in owner-occupied property sold at a tax sale to
7 request the current payoff amount to redeem the property; and generally relating to
8 tax sales.

9 BY repealing and reenacting, without amendments,
10 Article – Tax – Property
11 Section 14-833(a-1)(1)
12 Annotated Code of Maryland
13 (2019 Replacement Volume and 2022 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Tax – Property
16 Section 14-833(a-1)(3) and (5)(ii)
17 Annotated Code of Maryland
18 (2019 Replacement Volume and 2022 Supplement)

19 BY adding to
20 Article – Tax – Property
21 Section 14-833(a-1)(5)(ii)

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.



1 Annotated Code of Maryland
2 (2019 Replacement Volume and 2022 Supplement)

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

5 **Article – Tax – Property**

6 14–833.

7 (a–1) (1) The holder of a certificate of sale may not file a complaint to foreclose
8 the right of redemption until at least 2 months after sending the first notice and at least 30
9 days after sending the second notice required under this subsection to:

10 (i) the person who last appears as owner of the property on the
11 collector’s tax roll; and

12 (ii) 1. the current mortgagee of the property, assignee of a
13 mortgagee of record, or servicer of the current mortgage; or

14 2. the current holder of a beneficial interest in a deed of trust
15 recorded against the property.

16 (3) The notices required under this subsection shall include at least the
17 following:

18 (i) a statement of the fact of the issuance of a certificate of sale;

19 (ii) a copy of the certificate of sale, if the holder of the certificate of
20 sale received the certificate of sale before the notice was sent under this paragraph;

21 (iii) a statement that the owner, a mortgage holder, or any other
22 person that has an estate or interest in the property may redeem the property at any time
23 until the right of redemption has been finally foreclosed under the provisions of this
24 subtitle;

25 (iv) a statement that the holder of the certificate of sale may file an
26 action to foreclose the right of redemption at any time after 2 months from the date of the
27 first notice;

28 (v) a statement that if the property is redeemed before an action to
29 foreclose the right of redemption is filed, the amount that shall be paid to redeem the
30 property is:

31 1. the total lien amount on the property at the time of sale,
32 with interest;

- 1
2 certificate of sale;
- 3
4 after the date of the tax sale; and
- 5
6 certificate of sale:
- 7 A. costs for recording the certificate of sale;
- 8 B. a title search fee, not to exceed \$250;
- 9
10 for the notices; and
- 11 D. reasonable attorney's fees, not to exceed \$500;
- 12 (vi) a statement that if the property is redeemed after an action to
13 foreclose the right of redemption has been filed, the amount that shall be paid to redeem
14 the property is the sum of:
- 15
16 with interest;
- 17
18 certificate of sale;
- 19
20 after the date of the tax sale; and
- 21
22 certificate of sale may be entitled under § 14-843(a)(4) and (5) of this subtitle;
- 23 (vii) the provisions of § 14-843(a) of this subtitle, reproduced as they
24 appear in the Code;
- 25 (viii) a statement that, in Baltimore City only, the holder of the
26 certificate of sale is entitled to taxes, interest, and penalties paid in accordance with §
27 14-843(c) of this subtitle and interest at the rate of redemption under § 14-820 of this
28 subtitle from the date of payment to the date of redemption; and
- 29 (ix) the name, address, **E-MAIL ADDRESS**, and telephone number of:
- 30
31 attorney; and
2. any taxes, interest, and penalties paid by the holder of the
3. any delinquent taxes, interest, and penalties accruing
4. the following expenses incurred by the holder of the

1 2. the collector who made the sale.

2 (5) (II) 1. THIS SUBPARAGRAPH DOES NOT APPLY IN
3 BALTIMORE CITY.

4 2. FOR OWNER-OCCUPIED RESIDENTIAL PROPERTY
5 SOLD UNDER THIS SUBTITLE, ~~PRIOR TO~~ BEFORE THE FILING OF A COMPLAINT TO
6 FORECLOSE THE RIGHT OF REDEMPTION, ~~AN OWNER OF PROPERTY SOLD UNDER~~
7 ~~THIS SUBTITLE MAY REQUEST~~ THE CURRENT PAYOFF AMOUNT TO REDEEM THE
8 PROPERTY MAY BE REQUESTED BY THE:

9 A. OWNER OF THE PROPERTY;

10 B. CURRENT MORTGAGEE OF THE PROPERTY, ASSIGNEE
11 OF A MORTGAGEE OF RECORD, OR SERVICER OF THE CURRENT MORTGAGE; OR

12 C. CURRENT HOLDER OF A BENEFICIAL INTEREST IN A
13 DEED OF TRUST RECORDED AGAINST THE PROPERTY.

14 3. A REQUEST MADE UNDER SUBSUBPARAGRAPH 2 OF
15 THIS SUBPARAGRAPH SHALL BE MADE TO THE HOLDER OF THE CERTIFICATE OF
16 SALE BY PHONE, E-MAIL, OR OTHER CONTACT METHOD PROVIDED BY THE HOLDER
17 TO THE COLLECTOR.

18 4. THE PAYOFF AMOUNT TO REDEEM THE PROPERTY
19 PROVIDED BY THE HOLDER OF THE CERTIFICATE OF SALE IN ACCORDANCE WITH
20 SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH SHALL:

21 A. INCLUDE ONLY THOSE EXPENSES INCURRED BEFORE
22 THE HOLDER OF THE CERTIFICATE OF SALE RECEIVED THE REQUEST FOR THE
23 PAYOFF AMOUNT; AND

24 B. BE DEEMED VALID FOR A PERIOD OF 30 DAYS FROM
25 THE DATE THE HOLDER OF THE CERTIFICATE OF SALE PROVIDES THE ~~OWNER OF~~
26 ~~THE PROPERTY~~ PAYOFF AMOUNT TO THE PERSON WHO REQUESTED THE PAYOFF
27 AMOUNT.

28 [(ii)] (III) 1. In Baltimore City, for owner-occupied residential
29 property, prior to the filing of a complaint to foreclose the right of redemption, an owner of
30 property sold under this subtitle may send a request for the current payoff amount to
31 redeem the property.

32 2. A request made under subsubparagraph 1 of this
33 subparagraph shall be sent to the holder of the certificate of sale by first-class certified

1 mail, postage prepaid, return receipt requested, bearing a postmark from the United States
2 Postal Service.

3 3. Within 10 days of delivery of a notice sent under
4 subsubparagraph 1 of this subparagraph, the holder of a certificate of sale shall send the
5 owner of the property, by first-class certified mail, postage prepaid, return receipt
6 requested, bearing a postmark from the United States Postal Service, the current payoff
7 amount to redeem the property, as of the date the request was made.

8 4. Except as provided in subsubparagraph 6 of this
9 subparagraph, a holder of a certificate of sale who receives a request for a current payoff
10 amount to redeem property under this subparagraph may not file a complaint to foreclose
11 the right of redemption until the later of:

12 A. 20 days after the request under subsubparagraph 1 of this
13 subparagraph is received by the holder of the certificate of sale;

14 B. 10 days after the holder of the certificate of sale sends the
15 owner of the property the current payoff amount to redeem the property; or

16 C. the date on which a holder of the certificate of sale may file
17 a complaint to foreclose the right of redemption under paragraphs (1) and (4) of this
18 subsection.

19 5. The payoff amount to redeem the property provided by the
20 holder of the certificate of sale in accordance with subsubparagraph 3 of this subparagraph
21 shall be deemed valid for a period of 30 days from the date the holder of the certificate of
22 sale sends the owner of the property the payoff amount.

23 6. If the owner of property sends more than 2 requests under
24 subsubparagraph 1 of this subparagraph, the restrictions on filing a complaint to foreclose
25 the right of redemption may not apply to a third or subsequent request.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
27 1, 2023.