

HOUSE BILL 753

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By: **Delegates Lehman, Foley, Guyton, Harrison, Kaiser, Martinez, Moreno, Pasteur, Ross, Solomon, Taveras, Terrasa, Toles, Vogel, White Holland, Wims, Woods, and Wu**

Introduced and read first time: February 4, 2026

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Tax Sales – Homeowner Protections – Revisions**

3 FOR the purpose of requiring the State Tax Sale Ombudsman to develop a process to allow
4 a homeowner to designate a family member or another representative of the
5 homeowner to communicate and work with the Ombudsman on the homeowner's
6 behalf; requiring the dwelling of a homeowner to be withheld from tax sale if the
7 homeowner has a documented terminal illness or medical hardship; increasing the
8 maximum value of a dwelling that a homeowner may reside in and be eligible for the
9 Homeowner Protection Program; requiring homeowners with terminal illness or
10 medical hardship to receive priority for enrollment in the Homeowner Protection
11 Program; and generally relating to protections for homeowners in tax sale.

12 BY repealing and reenacting, without amendments,
13 Article – Tax – Property
14 Section 2–112(b) and (e), 14–811(i) and (j), 14–836(a) and (b)(4)(i)3., 14–883, and
15 14–884
16 Annotated Code of Maryland
17 (2019 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Tax – Property
20 Section 2–112(d), 14–811(h), and 14–885(a) and (b)
21 Annotated Code of Maryland
22 (2019 Replacement Volume and 2025 Supplement)

23 BY adding to
24 Article – Tax – Property
25 Section 14–888(e)
26 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2019 Replacement Volume and 2025 Supplement)

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

Article – Tax – Property

2–112.

(b) There is a State Tax Sale Ombudsman in the Department.

(d) The Ombudsman shall:

(1) assist homeowners to understand the process for collection of
delinquent taxes;

(2) actively assist homeowners to apply for tax credits, discount programs,
and other public benefits that may assist the homeowners to pay delinquent taxes and
improve their financial situation;

(3) refer homeowners to legal services, housing counseling, and other social
services that may assist homeowners to pay delinquent taxes and improve their financial
situation;

(4) maintain a website that functions as a clearinghouse for information
concerning:

(i) the process for collection of delinquent taxes; and

(ii) services and programs that are available to assist homeowners
to pay delinquent taxes and improve their financial situation; [and]

(5) maintain a toll-free telephone number that a homeowner may call to
obtain individualized personal assistance with delinquent taxes; AND

**(6) DEVELOP A PROCESS TO ALLOW A HOMEOWNER TO DESIGNATE A
FAMILY MEMBER OR ANOTHER REPRESENTATIVE OF THE HOMEOWNER TO
COMMUNICATE AND WORK WITH THE OMBUDSMAN ON THE HOMEOWNER’S BEHALF.**

(e) A county may, by law, establish a County Tax Sale Ombudsman to fulfill all
the responsibilities of the State Tax Sale Ombudsman under subsection (d) of this section
with respect to homeowners within the county.

14–811.

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

(2) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may withhold from sale a dwelling owned by a homeowner or occupied by an heir of a deceased homeowner who is low-income, at least 65 years old, or disabled if the homeowner or heir meets eligibility criteria established by the county or municipal corporation.

(3) (I) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY SHALL WITHHOLD FROM SALE THE DWELLING OF A HOMEOWNER WHO HAS A TERMINAL ILLNESS OR MEDICAL HARDSHIP AS DOCUMENTED BY A PHYSICIAN WHO HAS TREATED OR EXAMINED THE HOMEOWNER.

(II) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY MAY ADOPT ADDITIONAL METHODS FOR ESTABLISHING A TERMINAL ILLNESS OR MEDICAL HARDSHIP IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS SUBSECTION.

(i) The collector shall withhold from sale the dwelling of a homeowner who is enrolled in the Homeowner Protection Program established under Part VII of this subtitle.

(j) (1) The Mayor and City Council of Baltimore City or the governing body of a county shall establish a registry for interested parties or the Tax Sale Ombudsman to designate a property to be withheld from tax sale in accordance with this section.

(2) On request of the Mayor and City Council of Baltimore City or the governing body of a county, the Department shall provide assistance in creating and maintaining the registry required under paragraph (1) of this subsection.

14–836.

(a) The plaintiff in any action to foreclose the right of redemption shall be the holder of the certificate of sale.

(b) (4) (i) Notwithstanding the provisions of paragraph (3) of this subsection, the plaintiff shall send written notice of the proceeding to:

3. if the subject property is owner-occupied, the State Tax Sale Ombudsman.

14–883.

(a) In this part the following words have the meanings indicated.

(b) “Combined income” means the combined Maryland adjusted gross income of all individuals who actually reside in a dwelling except an individual who:

(1) is a dependent of the homeowner under § 152 of the Internal Revenue Code; or

(2) pays a reasonable amount for rent or room and board.

(c) “Dwelling” has the meaning stated in § 9–105 of this article.

(d) “Homeowner” means:

(1) a homeowner as defined in § 9–105 of this article; or

(2) if a homeowner as defined in § 9–105 of this article is deceased:

(i) the estate of the homeowner;

(ii) the personal representative of the homeowner; or

(iii) an heir or legatee of the homeowner who is entitled to inherit the homeowner’s dwelling.

(e) “Ombudsman” means the State Tax Sale Ombudsman established under § 2–112 of this article.

(f) “Program” means the Homeowner Protection Program established under this part.

(g) “Tax” has the meaning stated in § 14–801 of this subtitle.

14–884.

(a) There is a Homeowner Protection Program administered by the Ombudsman in the Department.

(b) The purpose of the Program is to divert vulnerable homeowners from the private tax lien sale process under Part III of this subtitle into an alternative program with the primary purpose of:

(1) minimizing tax collection costs to homeowners;

(2) assisting homeowners to pay their taxes; and

(3) allowing homeowners to remain in their homes.

14–885.

(a) (1) To be eligible for the Program a homeowner shall:

(i) reside in a dwelling that has an assessed value of ~~[\$300,000]~~
\$450,000 or less; and

(ii) have a combined income of \$60,000 or less.

(2) The Department may establish, by regulation, additional eligibility criteria for enrollment in the Program.

(b) The Department shall establish, by regulation, a process to:

(1) give priority for enrollment in the Program to homeowners who are:

(i) at least 60 years old; ~~[or]~~

(ii) currently receiving disability benefits from the federal Social Security Disability Insurance program or the federal Supplemental Security Income program; **OR**

(III) EXPERIENCING A DOCUMENTED TERMINAL ILLNESS OR MEDICAL HARDSHIP; and

(2) ensure that homeowners are enrolled in the Program who reside in each county in the State.

14–888.

(E) THE OMBUDSMAN SHALL DEVELOP A PROCESS TO ALLOW A HOMEOWNER ENROLLED IN THE PROGRAM TO DESIGNATE A FAMILY MEMBER OR ANOTHER REPRESENTATIVE OF THE HOMEOWNER TO COMMUNICATE AND WORK WITH THE OMBUDSMAN ON THE HOMEOWNER’S BEHALF.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.