



**HB 867**  
**Baltimore City – Collection of Unpaid Property Taxes**  
**Hearing Before the House Ways And Means Committee**  
**Feb. 28, 2023**  
**POSITION: SUPPORT**

Community Law Center is a nonprofit legal services provider which offers free legal services to nonprofit and community organizations throughout Maryland to promote stronger nonprofits and more vibrant neighborhoods. We have seen the crushing impacts of tax sale on homeowners who can lose their homes – and all their equity – in tax sale, as well as the devastating consequences for communities when longtime homeowners lose their homes and leave a vacant property in their wake. **Community Law Center supports HB 867 to help homeowners and communities – and in turn, to promote the vitality of Baltimore City and Maryland – not to protect predatory industries that prey on these residents and communities.**

HB 867 will allow for lien payment plans so that property owners can more easily pay the taxes they owe, and want to pay, but which can be difficult to pay all at once in a lump sum. Allowing for payment plans that fall within homeowners' budgets is a win-win-win for residents of Baltimore, the City itself, and state tax collection: families can stay in their homes, city neighborhoods keep their longtime residents, and taxes are paid.

HB 867 will allow for local control of the tax sale, giving the Mayor and City Council of Baltimore the power to determine if tax sale is needed in a given year or if it may actually cause greater harm to City neighborhoods and municipal revenue collection. While the tax sale does allow the City to collect a significant windfall of unpaid revenue on a single day, it also results in longer term harms that can be more difficult to quantify and thus easier to overlook – for example, **tax sale causes occupied properties to become vacant**, when longtime homeowners lose (or believe they have lost) their properties but the tax sale certificate purchaser does not complete the foreclosure process, or does not file the deed after receiving the foreclosure judgment. In addition, tax sale clouds property titles, making them more difficult and expensive to transfer and insure. Finally, tax sale creates a complicated and labyrinthine process that is difficult for property owners to navigate – and in this process, it becomes all too easy for mistakes or bad behavior by purchasers to confuse property owners trying to redeem their properties, and makes it possible for homeowners to lose their homes if they do not know where to turn for help.

HB 867 addresses many of the issues with tax sale by allowing for Baltimore City government to help homeowners stay in their homes, while also creating new methods for the City and State to collect unpaid tax revenue. This bill is a win for Baltimore City residents and local government, as well as for the state as a whole.

For the above reasons,  
**Community Law Center urges a FAVORABLE report on HB 867.**  
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