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HEARING DATE: January 24, 2023

BILL: HB0021

TITLE: Property Tax - Tax Sales - Notices and Payoff Amount for Redemption

SDAT POSITION: SUPPORT

HB0021 extends a tax-sale lien purchaser's attorney's release time to 30 days (instead of the current 15 days) statewide for owner-occupied properties. This legislation will give homeowners critical extra time to assemble the funds to redeem their homes, especially when the funds come from a grant or other benefit program that would pay off their lien.

When a homeowner redeems after a tax sale, they must pay the lien purchaser's attorney's fees first, and then the attorney forwards a release to the county. However, in many counties, the release expires in two weeks. If the homeowner doesn't pay the remaining balance to the county within that time, the homeowner must contact the attorney again for an extension on the release, which usually adds additional, sometimes arbitrary fees.

This bill seeks to extend the lien purchaser's attorney's release time to 30 days statewide for owner-occupied properties, regardless of the county.

It will give homeowners critical extra time to assemble the funds to redeem their homes, especially when the funds come from a grant or other benefit program that will pay off their lien.

This bill provides uniform notice requirements and a redemption payoff amount that is good for 30 days by extending the provisions in §14-833(a-1)(5)(ii), which currently only applies to Baltimore City owner-occupied properties, to homeowners statewide.

For these reasons, SDAT urges a favorable vote on HB0021.