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THE MARYLAND HOUSE OF DELEGATES
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**Testimony in Support of HB 1148:
Property Taxes - Tax Sales, Legacy Protection Program, and Tax Credits
March 31, 2026**

Chair Guzzone and distinguished members of the Budget & Taxation Committee, it is my pleasure to come before you and offer testimony in favor of **HB 1148: Property Taxes - Tax Sales, Legacy Protection Program, and Tax Credits**. This bill aims to protect heirs from losing their family homes in tax sale during the inheritance process.

HB 1148 does three things: (1) establishes the Legacy Protection Program and Fund to address a gap in Maryland's property tax system that currently places inherited family homes at risk of tax sale; (2) alters eligibility for the homeowners' and homestead tax credits to include certain heirs not shown as the record title holder; and (3) requires the State Tax Sale Ombudsman to publish information about the program and conduct direct outreach to heirs whenever the State Department of Assessment and Taxation (SDAT) receives notification that a recipient of homestead or homeowner tax credits has died.

The house amendments delayed implementation of the bill until 2027 to give SDAT adequate time to implement the changes, increased the value of a home eligible to participate in the program from \$350,000 to \$450,000, and authorized grants to heirs to cover any tax or fee necessary to complete the probate process.

Homeownership is one of the most powerful tools for building economic security and generational wealth. Over the years, we have created strong programs to protect homeownership. These programs directly help preserve housing stability and financial opportunity that can be passed down to children and grandchildren-- that is, if those homes are not lost along the way.

The need for this reform is well documented. According to the National Consumer Law Center, heirs' property loss is a significant driver of land loss in communities of color and a key contributor to the widening homeownership gap between White and Black households. Studies estimate that more than half the real property owned by Black Americans is owned as heirs' property, and barriers in finding legal assistance in the probate process and paying for inheritance fees further exacerbate the problem. This results not only in displacement but also in destabilization of neighborhoods and loss of generational wealth, outcomes that undermine the long-term tax base and community stability.

HB 1148 offers a measured, administratively workable solution that preserves homeownership where possible, protects family assets, preserves and strengthens opportunity, and enhances the integrity of Maryland's tax sale system.

This bill passed the house with a vote of 99-34. I urge a favorable report on **House Bill 1148**. Thank you.