

Chapter 459

(House Bill 963)

AN ACT concerning

Tax Sales – Data Collection – County Funding

FOR the purpose of prohibiting the State Department of Assessments and Taxation from disbursing or authorizing the disbursement of certain funds to a county if the county has not provided certain information concerning its tax sales; altering the ~~information~~ taxable year for which the Department is required to obtain certain information concerning county tax sales; and generally relating to county funding and data collection concerning tax sales.

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 14–879
Annotated Code of Maryland
(2019 Replacement Volume and 2022 Supplement)

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

Article – Tax – Property

14–879.

(a) (1) The Department shall conduct an annual survey of each county that conducts a tax sale under Part III of this subtitle to obtain the information specified in this section.

(2) Each county shall provide the Department all the information specified in this section on the form that the Department provides.

(3) THE DEPARTMENT MAY NOT DISBURSE OR AUTHORIZE THE DISBURSEMENT OF ANY FUNDS TO A COUNTY UNDER THIS ARTICLE IF THE COUNTY HAS NOT PROVIDED ALL THE INFORMATION SPECIFIED IN THIS SECTION.

(b) (1) The Department shall obtain the data specified in ~~paragraph~~ ~~PARAGRAPHS~~ (2) ~~AND (3)~~ of this subsection concerning the following categories of properties subject to sale under Part III of this subtitle:

(i) properties that are advertised for sale in the first notice required to be published under § 14–813 of this subtitle;

- (ii) properties offered for sale;
- (iii) properties offered for sale that are subject to liens for water or sewer services only;
- (iv) properties offered for sale that are sold;
- (v) properties for which there is no private purchaser and the county obtains the tax sale certificate in accordance with § 14–824 of this subtitle;
- (vi) properties that are redeemed before foreclosure;
- (vii) properties that are subject to foreclosure by the county; and
- (viii) properties for which the right of redemption has been foreclosed by a private holder of a tax sale certificate.

(2) For each of the categories of properties specified in paragraph (1) of this subsection, the Department shall obtain the following data for the **SECOND IMMEDIATELY** preceding taxable year:

- (i) the total number of properties;
- (ii) the total lien amount for all properties; ~~AND~~
- (iii) the average lien amount for all properties~~;~~ and
- (iv) for each of the data categories specified in items (i) through (iii) of this paragraph, disaggregated data for properties that are owned by a homeowner as defined in § 9–105 of this article~~;~~.

~~(3) FOR EACH OF THE CATEGORIES OF PROPERTIES SPECIFIED IN PARAGRAPH (1)(II), (IV), (VI), AND (VII) OF THIS SUBSECTION, FOR THE SECOND IMMEDIATELY PRECEDING TAXABLE YEAR, THE DEPARTMENT SHALL OBTAIN DISAGGREGATED DATA FOR PROPERTIES THAT ARE OWNED BY A HOMEOWNER AS DEFINED IN § 9–105 OF THIS ARTICLE, INCLUDING:~~

- ~~(I) THE TOTAL NUMBER OF PROPERTIES;~~
- ~~(II) THE TOTAL LIEN AMOUNT FOR ALL PROPERTIES; AND~~
- ~~(III) THE AVERAGE LIEN AMOUNT FOR ALL PROPERTIES.~~

(c) The Department shall obtain the following information concerning each county's tax sale process for the **SECOND IMMEDIATELY** preceding taxable year:

(1) each type of charge that the county collects through its tax sale process, including property taxes, water and sewer charges, environmental charges, and any other local government charges;

(2) the length of time the tax on a property is required to be overdue before the county begins the process to sell the property under Part III of this subtitle;

(3) how frequently the county conducts a tax sale and the time of year when the tax sale occurs;

(4) whether the county conducts tax sales on behalf of municipal corporations in the county and, if applicable, which municipal corporations;

(5) the rate of interest the county charges on overdue property taxes under § 14–603 of this title;

(6) the rate of redemption interest a property owner is required to pay to redeem a property after a tax sale under § 14–820 of this subtitle;

(7) the minimum threshold amount of unpaid taxes on a residential property that will cause the county to put the property in tax sale under § 14–811(b) of this subtitle;

(8) regarding bid balance money in excess of the amount required for the payment of taxes, interest, penalties, and costs of the sale of a property:

(i) the total aggregate amount of all bid balance money held by the county in a special fund pending distribution to property owners under § 14–819(a) of this subtitle;

(ii) the total aggregate amount of bid balance money distributed to property owners under § 14–819(a) of this subtitle; and

(iii) the total aggregate amount of bid balance money transferred to the county under § 14–819(b) and (c) of this subtitle;

(9) whether the county has established a County Tax Sale Ombudsman under § 2–112(e) of this article; and

(10) a copy of the separate insert required to be mailed to property owners under § 14–812(b) of this subtitle.

(d) The Department shall obtain:

(1) the number of counties and municipal corporations that have withheld from sale under § 14–811(e) of this subtitle a dwelling owned by a homeowner who is low-income, at least 65 years old, or disabled;

(2) the eligibility criteria used by each county and municipal corporation to withhold a dwelling from sale under § 14–811(e) of this subtitle; and

(3) the number of dwellings withheld from sale by each county and municipal corporation under § 14–811(e) of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively, and the Department may not withhold any funding from a county because the county failed to provide any information required on a tax sale survey conducted by the Department before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2023.

Approved by the Governor, May 8, 2023.