

Chapter 315

(House Bill 235)

AN ACT concerning

~~**Property Tax – Deadline Extension for Homeowners to Redeem Property
Involved in a Tax Sale**~~
**Tax Sales – Owner-Occupied Property – Foreclosure, Notice, and
Reimbursement of Expenses**

FOR the purpose of prohibiting in all counties, rather than Baltimore City only, a holder of a certificate of sale from filing a complaint to foreclose the right of redemption for owner-occupied residential property until a certain period of time after the date of sale; prohibiting in all counties, rather than Baltimore City only, a certain notice from being sent to certain persons with an interest in owner-occupied residential property sold at tax sale until a certain period of time after the date of sale; extending in all counties except Talbot County, rather than in Baltimore City only, the amount of time that has to pass after a tax sale before the plaintiff or the holder of a certificate of sale of the for owner-occupied residential property may be reimbursed for certain expenses when the property is redeemed; and generally relating to tax sales.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 14–833(a)(2) and (4)(i)2. and 14–843(a)(3) and (b)

Annotated Code of Maryland

(2019 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, without amendments,

Article – Tax – Property

Section 14–843(a)(1) and (2)

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

14–833.

(a) (2) Except as provided in subsections (a–1), (e), (f), and (g) of this section, at any time after 9 months from the date of sale of owner-occupied residential property [located in Baltimore City], a holder of any certificate of sale may file a complaint to foreclose all rights of redemption of the property to which the certificate relates.

(4) (i) 2. ~~[In Baltimore City, for]~~ **FOR** owner-occupied residential property, the first of the two notices required under this subsection may not be sent until 7 months after the date of sale.

14-843.

(a) (1) Except as provided in subsection (b) of this section, on redemption, the plaintiff or the holder of a certificate of sale may be reimbursed for expenses incurred in any action or in preparation for any action to foreclose the right of redemption as provided in this section.

(2) The plaintiff or holder of a certificate of sale is not entitled to be reimbursed for any other expenses or attorney's fees that are not included in this section.

(3) (i) Except as provided in subparagraph (ii) of this paragraph, if an action to foreclose the right of redemption has not been filed, and the property is redeemed more than ~~44~~ 6 months after the date of the tax sale, the holder of a certificate of sale may be reimbursed for the following expenses actually incurred:

1. costs for recording the certificate of sale;
2. a title search fee, not to exceed \$250;
3. the postage and certified mailing costs for the notices required under § 14-833(a-1) of this subtitle; and
4. reasonable attorney's fees, not to exceed \$500.

(ii) ~~In Baltimore City, for~~ **FOR** owner-occupied residential property, if an action to foreclose the right of redemption has not been filed, and the property is redeemed more than 7 months after the date of the tax sale, the holder of a certificate of sale may be reimbursed for the following expenses actually incurred:

1. costs for recording the certificate of sale;
2. a title search fee, not to exceed \$250;
3. the postage and certified mailing costs for the notices required under § 14-833(a-1) of this subtitle; and
4. reasonable attorney's fees, not to exceed \$500.

(b) (1) (i) Except as provided in subparagraph (ii) of this paragraph and paragraph (2) of this subsection, in Allegany County, Anne Arundel County, Baltimore City, Baltimore County, Calvert County, Caroline County, Carroll County, Cecil County, Charles County, Dorchester County, Frederick County, Garrett County, Harford County,

Howard County, Kent County, Montgomery County, Prince George's County, Queen Anne's County, St. Mary's County, Somerset County, Washington County, Wicomico County, and Worcester County, the plaintiff or holder of a certificate of sale may not be reimbursed for expenses incurred within ~~4~~ 6 months after the date of sale.

(ii) ~~In Baltimore City, for~~ **FOR** owner-occupied residential property, the plaintiff or holder of a certificate of sale may not be reimbursed for expenses incurred within 7 months after the date of sale.

(2) This subsection does not apply to property for which the holder:

(i) may file a complaint any time after 60 days from the date of sale, pursuant to § 14-833(e) of this subtitle; or

(ii) must file a complaint within 3 months from the date of sale, pursuant to § 14-833(c)(2) of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2024, and shall be applicable to all certificates of sale issued on or after January 1, 2024.

Approved by the Governor, May 3, 2023.