

HOUSE BILL 509

Q2

2lr0415

By: **Delegates Rosenberg, Attar, and Bridges**

Introduced and read first time: January 21, 2022

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – Tax Sales – Nonprofit Entity–Owned Real Property**

3 FOR the purpose of requiring the tax collector in Baltimore City to withhold from tax sale
4 real property that is owned by a nonprofit entity that is exempt from property
5 taxation and receives less than a certain amount of annual donations; prohibiting
6 Baltimore City from selling a property for unpaid charges for water and sewer service
7 if the property is owned by a nonprofit entity that is exempt from property taxation
8 and receives less than a certain amount of annual donations; and generally relating
9 to tax sales of properties in Baltimore City.

10 BY repealing and reenacting, with amendments,
11 Article – Tax – Property
12 Section 14–811(b) and 14–849.1
13 Annotated Code of Maryland
14 (2019 Replacement Volume and 2021 Supplement)

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

17 **Article – Tax – Property**

18 14–811.

19 (b) (1) The collector may withhold from sale any residential property, when
20 the total taxes on the property, including interest and penalties, amount to less than \$750.

21 (2) In Baltimore City, the collector shall withhold from sale:

22 (I) owner–occupied residential property, when the total taxes on the
23 property, including interest and penalties, amount to less than \$750; AND

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(II) REAL PROPERTY THAT IS OWNED BY A NONPROFIT ENTITY**
2 **THAT IS EXEMPT FROM TAXATION UNDER § 7-202 OF THIS ARTICLE AND COLLECTS**
3 **LESS THAN \$750,000 IN ANNUAL DONATIONS, EXCLUSIVE OF GOVERNMENT FUNDS.**

4 (3) In Baltimore City, the collector shall withhold from sale residential
5 property or property that is exempt from taxation under § 7-204(1) or (2) of this article, if
6 the taxes on the property consist only of a lien for unpaid charges for water and sewer
7 service.

8 14-849.1.

9 (a) In Baltimore City, the Mayor and City Council may not sell a property to
10 enforce a lien for unpaid charges for water and sewer service unless:

11 (1) the lien is for at least \$350;

12 (2) the property is not:

13 (i) a residential property; [or]

14 (ii) real property that is exempt from taxation under § 7-204(1) or
15 (2) of this article; [and] **OR**

16 **(III) REAL PROPERTY THAT IS OWNED BY A NONPROFIT ENTITY**
17 **THAT IS EXEMPT FROM TAXATION UNDER § 7-202 OF THIS ARTICLE AND COLLECTS**
18 **LESS THAN \$750,000 IN ANNUAL DONATIONS, EXCLUSIVE OF GOVERNMENT FUNDS;**
19 **AND**

20 (3) the unpaid charges for water and sewer service are at least 3 quarters
21 in arrears.

22 (b) Notwithstanding subsection (a) of this section, the Mayor and City Council
23 may enforce a lien on a property other than [residential property or real property that is
24 exempt from taxation under § 7-204(1) or (2) of this article] **PROPERTY DESCRIBED IN**
25 **SUBSECTION (A)(2) OF THIS SECTION** for unpaid water and sewer service that is less
26 than \$350 if the property is being sold to enforce another lien.

27 (c) This section does not affect any other right or remedy of Baltimore City for the
28 collection of a water and sewer service charge.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2022.