



House Bill 852

Property Tax - Tax Sales - Homeowner Protection Program

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: March 30, 2021

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 852. This bill would establish a Homeowner Protection Program to offer homeowners facing tax sale potential cost avoidance, and provide help like payment assistance, foreclosure mediation, and other services.

The tax sale process, or more specifically the potential for a property to go to tax sale, presents a much-needed tool of last resort to ensure that property owners remit payment for their fair share of taxes and charges connected to public services. Of course, no jurisdiction wants to send any property to tax sale if it can be avoided.

MACo strongly prefers that homeowners receive all counseling, education, information, and support which may be available to them, and additional assistance when appropriate, to help them pay on time and avoid going through tax sale. To that end, MACo supports this bill as a wise approach to facilitating access to support services at the time when it is most helpful.

Counties have a vested interest in maintaining their most effective collection tool, which provides certainty for local budgets, protects funding for essential services, and establishes a level playing field for property owners. As such, MACo appreciates that this bill balances the interests of property owners, investors, and local governments.

HB 852 contemplates a novel approach to divert homeowners from the private tax lien process into an alternative program to minimize tax collection costs, assist with the payment of overdue taxes, and allow homeowners to remain in their homes.

For these reasons, MACo requests a **FAVORABLE** report on HB 852.