

# SENATE BILL 854

Q1, L6

EMERGENCY BILL

8lr3213  
CF HB 1211

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By: **Senators Jones, McFadden, and Pugh**

Introduced and read first time: February 13, 2008

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Tax Sales – Minimum Tax Due – Redemption Payments – Reimbursement of**  
3 **Expenses on Redemption**

4 FOR the purpose of altering a provision allowing a property tax collector to withhold  
5 property from a tax sale when total taxes due on the property amount to less  
6 than a certain amount; altering the manner by which a person redeeming a  
7 property shall pay the collector certain expenses and fees under certain  
8 circumstances; altering the type and amount of expenses for which a plaintiff or  
9 holder of a certificate of sale is entitled to be reimbursed under certain  
10 circumstances; making this Act an emergency measure; and generally relating  
11 to tax sales.

12 BY repealing and reenacting, with amendments,  
13 Article – Tax – Property  
14 Section 14–811, 14–828(a), and 14–843  
15 Annotated Code of Maryland  
16 (2007 Replacement Volume)

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

19 **Article – Tax – Property**

20 14–811.

21 The collector may withhold from sale any property, when the total taxes on the  
22 property, including interest and penalties, amount to less than [\$100] **\$250** in any 1  
23 year.

24 14–828.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) If the property is redeemed, the person redeeming shall pay the collector:

2 (1) the total price paid at the tax sale for the property together with  
3 interest;

4 (2) any taxes, interest, and penalties paid by any holder of the  
5 certificate of sale;

6 (3) any taxes, interest, and penalties accruing after the date of the tax  
7 sale;

8 (4) [unless the party redeeming furnishes the collector a release or  
9 acknowledgment executed by the plaintiff or holder of the certificate of sale that all  
10 actual expenses or fees under § 14–843 of this subtitle have been paid to the plaintiff  
11 or holder of the certificate of sale,] **IN THE MANNER AND BY THE TERMS REQUIRED**  
12 **BY THE COLLECTOR**, any expenses or fees for which the plaintiff or the holder of a  
13 certificate of sale is entitled to reimbursement under § 14–843 of this subtitle ; and

14 (5) for vacant and abandoned property sold under § 14–817 of this  
15 subtitle for a sum less than the amount due, the difference between the price paid and  
16 the unpaid taxes, interest, penalties, and expenses.

17 14–843.

18 (a) **(1)** Except as provided in subsection (b) of this section, on redemption,  
19 the plaintiff or the holder of a certificate of sale is entitled to be reimbursed for  
20 expenses incurred in any action or in preparation for any action to foreclose the right  
21 of redemption **AS PROVIDED IN THIS SECTION**. [In addition, the plaintiff or holder of  
22 a certificate of sale, on redemption, is entitled to be reimbursed for fees paid for  
23 recording the certificate of sale, for reasonable attorney’s fees, provided that the fees  
24 may not exceed \$400 unless an action to foreclose the right of redemption has been  
25 filed, for expenses incurred in the publication and service of process by publication, for  
26 reasonable fees for a necessary title search, and for taxes, together with interest and  
27 penalties on the taxes, arising after the date of sale that have been paid by the  
28 plaintiff, including, in Baltimore City only, taxes, interest, and penalties paid in  
29 accordance with subsection (c) of this section and interest at the rate of redemption  
30 provided in § 14–820 of this subtitle from the date of payment to the date of  
31 redemption.]

32 **(2)** [The] **EXCEPT AS PROVIDED IN THIS SECTION, THE** plaintiff or  
33 holder of a certificate of sale is not entitled to be reimbursed for any other expenses  
34 **THAT ARE NOT INCLUDED IN THIS SECTION**.

35 **(3) THE PLAINTIFF OR HOLDER OF A CERTIFICATE OF SALE IS**  
36 **ENTITLED TO BE REIMBURSED FOR ATTORNEY’S FEES NOT TO EXCEED:**

1 (I) \$1,300 IF AN AFFIDAVIT OF COMPLIANCE HAS NOT BEEN  
2 FILED; AND

3 (II) \$1,500 IF AN AFFIDAVIT OF COMPLIANCE HAS BEEN  
4 FILED.

5 (4) THE PLAINTIFF OR HOLDER OF A CERTIFICATE OF SALE IS  
6 ENTITLED TO BE REIMBURSED FOR THE FOLLOWING EXPENSES ACTUALLY  
7 INCURRED, IF A PAID RECEIPT IS SUBMITTED FOR EACH ITEM:

8 (I) FILING FEE, NOT TO EXCEED \$125;

9 (II) SERVICE OF PROCESS FEE;

10 (III) TITLE SEARCH FEE, NOT TO EXCEED \$250;

11 (IV) PUBLICATION FEE;

12 (V) POSTING FEE, NOT TO EXCEED \$40;

13 (VI) FEE FOR RECORDING THE CERTIFICATE OF SALE;

14 (VII) DISMISSAL FEE, NOT TO EXCEED \$15;

15 (VIII) JUDGMENT SEARCH FEE, NOT TO EXCEED \$12 PER  
16 NAME;

17 (IX) POSTAGE FOR SERVICE OF PROCESS BY CERTIFIED  
18 MAIL, NOT TO INCLUDE ANY EXPRESS OR OVERNIGHT DELIVERY CHARGES;

19 (X) COPYING CHARGES, NOT TO EXCEED 10 CENTS PER  
20 PAGE, ONLY IF THE NUMBER OF PAGES COPIED IS STATED AND THE CHARGES  
21 ARE SHOWN TO BE CHARGED EVEN IF REDEMPTION DOES NOT OCCUR;

22 (XI) TELEPHONE CHARGES, ONLY IF THE CHARGES ARE  
23 SHOWN TO BE CHARGED EVEN IF REDEMPTION DOES NOT OCCUR;

24 (XII) BANKRUPTCY SEARCH FEE, NOT TO EXCEED 8 CENTS  
25 PER PAGE; AND

26 (XIII) SUBSTANTIAL REPAIR ORDER FEE, NOT TO EXCEED  
27 \$100.

1           **(5) THE PLAINTIFF OR HOLDER OF A CERTIFICATE OF SALE IS**  
2 **ENTITLED TO BE REIMBURSED FOR TAXES, TOGETHER WITH INTEREST AND**  
3 **PENALTIES ON THE TAXES, ARISING AFTER THE DATE OF SALE THAT HAVE BEEN**  
4 **PAID BY THE PLAINTIFF OR HOLDER, INCLUDING IN BALTIMORE CITY ONLY,**  
5 **TAXES, INTEREST, AND PENALTIES PAID IN ACCORDANCE WITH SUBSECTION (C)**  
6 **OF THIS SECTION AND INTEREST AT THE RATE OF REDEMPTION PROVIDED IN §**  
7 **14-820 OF THIS SUBTITLE FROM THE DATE OF PAYMENT TO THE DATE OF**  
8 **REDEMPTION.**

9           (b) (1) Except as provided in paragraph (2) of this subsection, in Allegany  
10 County, Anne Arundel County, Baltimore City, Baltimore County, Calvert County,  
11 Caroline County, Carroll County, Cecil County, Charles County, Dorchester County,  
12 Frederick County, Garrett County, Harford County, Howard County, Kent County,  
13 Prince George's County, Queen Anne's County, St. Mary's County, Somerset County,  
14 Washington County, Wicomico County, and Worcester County, the plaintiff or holder  
15 of a certificate of sale is not entitled to be reimbursed for expenses incurred within 4  
16 months after the date of sale.

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

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

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

22           (c) In Baltimore City, on or after October 1 of each year, the plaintiff or  
23 holder of a certificate of sale may pay taxes, interest, and penalties that become due  
24 after the date of the sale on the property described in the tax sale certificate and that  
25 have not been paid by the owner of the property.

26           SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency  
27 measure, is necessary for the immediate preservation of the public health or safety,  
28 has been passed by a ye and nay vote supported by three-fifths of all the members  
29 elected to each of the two Houses of the General Assembly, and shall take effect from  
30 the date it is enacted.