CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor

DEPARTMENT OF LAW
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October 17, 2025

The Honorable President and Members
of the Baltimore City Council
Attn: Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 25-0088 – Taxes – Prohibition – Vacant Lots and Vacant Structures

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 25-0088 for form and legal sufficiency. The bill would delete two uncodified sections of Ordinance 24-341 (Bill 24-0601) concerning a separate tax on vacant real property, which made Section 11-1 of Article 28 of the City Code effective for three years until July 1, 2029. City Council Bill 25-0088 would change Section 11-1 to make it apply to Vacant Lots and Vacant Structures, instead of Vacant and Abandoned Property.

The bill then requires the City Administrator to notify all owners of real property in the City of the new tax on certain vacant real property. It requires the Department of Finance and the Commissioner of Housing and Community Development to promulgate regulations to carry out the provisions of Subtitle 11 of Article 28 of the City Code. The bill imposes reporting requirements on the Department of Finance. The bill would take effect 30 days after enactment, and the vacant tax rate would apply beginning with the tax year starting July 1, 2026.

Section 6-202.1 of the Real Property Article of the Maryland Code provides that "The Mayor and City Council of Baltimore City or the governing body of a county may establish, by law, a subclass of real property consisting of vacant lots or improved property cited as vacant and unfit for habitation or other authorized use on a housing or building violation notice." Md. Code, Tax-Prop., § 6-202.1. State authorization is required because the City's ability to tax real property comes from the public general laws of the State. *Frederick v. Baltimore City Bd. of Elections*, 490 Md. 647, 663 (2025); *c.f.* City Charter, Art. II, § (39).

The state law allows local governments to set a separate rate for "a vacant lot" or an "improved property cited as vacant and unfit for human habitation or other authorized use on a housing or building violation notice." Md. Code, Tax-Prop., § 6-202.1; 6-301(c)(1). Thus, this new rate is only open to two types of real property:

1. Vacant lot

2. Building with a violation notice for being vacant **and** unable to be used for its authorized use.

Md. Code, Tax-Prop., § 6-202.1 (emphasis added).

There is no state law guidance on the meaning of the term "vacant lot" so its definition in the bill is legally sufficient. However, the second type of real property must have an improvement on it that has received a violation notice for being vacant **and** unable to be used for its authorized use. Although the broad Building Code reference of Section 116.4 is legal, it is not precise because it covers more properties than can be taxed at the higher vacant rate. Therefore, the Law Department recommends substituting Section 116.4.1.2.2.A of the Building Code because those are the subset of vacant buildings that can no longer be used for their authorized use. This also accords with other parts of the Tax-Property Article that use that phrase, "improved property cited as vacant and unfit for human habitation or other authorized use on a housing or building violation notice." Md. Code, Tax-Prop., § 14-876(c)(1)(ii).

The Law Department can approve the bill for form and legal sufficiency.

Very truly yours,

Hilary Ruley
Chief Solicitor

cc: Ebony M. Thompson, City Solicitor
Ty'lor Schnella, Mayor's Office of Government Relations
Ashlea Brown, Chief Solicitor
Jeffrey Hochstetler, Chief Solicitor
Michele Toth, Assistant Solicitor
Desiree Lucky, Assistant Solicitor

AMENDMENTS TO COUNCIL BILL 25-0088
(1st Reader Copy)

Amendment No. 1 (Conform the City Code with State Law)

On page 2, in line 21, delete "116.4" and substitute "116.4.1.2.2.A".