

**CITY OF BALTIMORE  
COUNCIL BILL 20-0593  
(First Reader)**

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Introduced by: Councilmember McCray, President Scott, Councilmembers Dorsey, Middleton,  
Bullock, Clarke, Pinkett, Cohen, Stokes, Sneed, Burnett, Reisinger

Introduced and read first time: August 17, 2020

Assigned to: Taxation, Finance and Economic Development Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Housing and Community  
Development, Department of Finance

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A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Tax Sales – Properties Exempt From Sale**

3 FOR the purpose of directing the Director of Finance to withhold certain properties from tax sale;  
4 defining certain terms; requiring that the Director of Finance adopt regulations to implement  
5 the requirements of this section; requiring that the Director of Finance submit an annual  
6 report to the Mayor and City Council; and generally implementing the authority provided by  
7 Section 14-811(f) of the State Tax-Property Article.

8 BY authority of  
9 Tax-Property Article  
10 Section 14-811(f)  
11 Maryland Code

12 BY adding  
13 Article 28 - Taxes  
14 Section 8-5  
15 Baltimore City Code  
16 (Edition 2000)

17 **Recitals**

18 **WHEREAS**, thousands of Baltimore City homeowners are confronted with losing their homes  
19 each year at public auction for unpaid real property taxes.

20 **WHEREAS**, the owners of the properties listed at public auction must navigate the tax lien  
21 certificate sale process to avoid losing their homes, a process that is often confusing and filled  
22 with questions.

23 **WHEREAS**, several owners of the properties subject to sale face extraordinary financial  
24 challenges and struggles, compounded for many by being on a fixed income.

25 **WHEREAS**, partial payments on outstanding taxes owed cannot prevent or delay a property  
26 from a tax lien certificate sale, regardless of the amount of outstanding taxes owed.

EXPLANATION: CAPITALS indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.

**Council Bill 20-0593**

1       **WHEREAS**, homeownership is one of the main ways for families to build wealth and  
2 economic security.

3       **WHEREAS**, on January 1, 2020, Chapter 730 of the Laws of Maryland of 2019 took effect and  
4 authorized a governing body of a county or municipal corporation to withhold from sale certain  
5 dwellings owned by low-income individuals, individuals 65 years or older, or disabled  
6 individuals.

7       **WHEREAS**, the rapid onset of the COVID-19 pandemic also has wreaked havoc on the  
8 finances of many homeowners due to job loss and the inability to work, making it even more  
9 difficult for homeowners to pay outstanding all taxes and charges to avoid losing their homes  
10 during a tax certificate sale.

11       **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That the  
12 Laws of Baltimore City read as follows:

**Baltimore City Code**

**Article 28. Taxes**

**Subtitle 8. Tax Sales**

**§ 8-5. PROPERTIES EXEMPT FROM SALE.**

(A) *DEFINITIONS.*

(1) *IN GENERAL.*

IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(2) *DWELLING.*

“DWELLING” HAS THE MEANING STATED IN STATE TAX-PROPERTY ARTICLE § 9-105  
{“HOMESTEAD TAX CREDIT”}.

(3) *HOMEOWNER.*

“HOMEOWNER” HAS THE MEANING STATED IN STATE TAX-PROPERTY ARTICLE § 9-105  
{“HOMESTEAD TAX CREDIT”}.

(B) *SCOPE OF SECTION.*

THIS SECTION APPLIES TO THE SALE OF A DWELLING WITH AN ASSESSED VALUE OF  
\$250,000 OR LESS.

(C) *SALE PROHIBITED.*

IN ACCORDANCE WITH § 14-811(F) OF THE STATE TAX-PROPERTY ARTICLE , THE  
DIRECTOR OF FINANCE SHALL WITHHOLD FROM SALE A DWELLING OWNED BY A  
HOMEOWNER WHO:

**Council Bill 20-0593**

1 (1) HAS RESIDED IN THE DWELLING FOR AT LEAST 3 YEARS; AND

2 (2) EITHER:

3 (I) HAS A COMBINED INCOME OF LESS THAN \$40,000;

4 (II) IS AT LEAST 65 YEARS OLD; OR

5 (III) IS AN ADULT CURRENTLY RECEIVING DISABILITY BENEFITS FROM THE  
6 FEDERAL SOCIAL SECURITY DISABILITY INSURANCE PROGRAM OR THE  
7 SUPPLEMENTAL SECURITY INCOME PROGRAM.

8 (E) *{RESERVED}*

9 (F) *RULES AND REGULATIONS.*

10 (1) *IN GENERAL.*

11 THE DIRECTOR MAY ADOPT RULES AND REGULATIONS TO CARRY OUT THIS  
12 SECTION.

13 (2) *FILING WITH LEGISLATIVE REFERENCE.*

14 A COPY OF ALL RULES AND REGULATIONS ADOPTED UNDER THIS SUBTITLE MUST  
15 BE FILED WITH THE DEPARTMENT OF LEGISLATIVE REFERENCE BEFORE THEY TAKE  
16 EFFECT.

17 (G) *ANNUAL REPORT.*

18 ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE DIRECTOR OF FINANCE SHALL  
19 SUBMIT A REPORT TO THE MAYOR AND CITY COUNCIL:

20 (1) THE TOTAL NUMBER OF DWELLINGS THAT WERE SUBJECT TO THIS SECTION;

21 (2) THE TOTAL AND AVERAGE AMOUNTS OF OUTSTANDING TAXES OWED ON THE  
22 DWELLINGS THAT WERE SUBJECT TO THIS SECTION; AND

23 (3) THE NUMBER OF DWELLINGS THAT WERE SUBJECT TO THIS SECTION SEPARATED  
24 BY THE TYPE OF HOMEOWNER SUBJECT TO THIS SECTION.

25 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance  
26 are not law and may not be considered to have been enacted as a part of this or any prior  
27 Ordinance.

28 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30<sup>th</sup> day  
29 after the date it is enacted.