



BALTIMORE CITY COUNCIL BUDGET & APPROPRIATIONS COMMITTEE

Mission Statement

The Budget and Appropriations Committee is responsible for ensuring taxpayer dollars are expended prudently and equitably. BA will exercise regular oversight of the funding and spending practices of City agencies, the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include all budgets & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

The Honorable Danielle McCray

CHAIR

PUBLIC HEARING

Tuesday, April 14, 2026

9:01 AM

CLARENCE "DU" BURNS COUNCIL CHAMBERS

26-0152

*Installment Payment Plans – Property Taxes in Arrears –
Residential Property*

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**BUDGET & APPROPRIATIONS COMMITTEE****The Honorable Danielle McCray
CHAIR****Bill Hearing***26-0152**Installment Payment Plans – Property Taxes in Arrears – Residential Property*

Purpose of authorizing certain property tax arrearages to be paid through an installment payment plan; requiring the Director of Finance to establish an installment payment program; setting eligibility requirements for the program; prohibiting the Director from taking certain action against a person if compliant with a plan; establishing the effect of non-compliance with a plan; specifying the contents of the notice of an offer of a plan; specifying certain terms of the installment payment plan; requiring the publication of certain information on the City Tax Sale Ombudsman’s website; providing for a special effective date; and generally relating to installment payments of certain property taxes in Baltimore City.

REPORTING AGENCIES

- **Law Department**
 - **Department of Finance**
 - **Department of Housing & Community Development**
 - **Baltimore City Information Technology**
-

BACKGROUND

Property taxes are a primary revenue source for the City’s budget. In FY 2026 property taxes accounted for over \$1.2 billion in revenue, and the FY 2027 Preliminary Budget projects a 6.2% increase in property tax revenue from the previous year.

Annual real property tax bills are issued by the City on July 1, and if the property owner pays a bill by July 31, there is a .5% discount on the total tax. However, if payment is not made by October 1, the bill will begin accruing a 1% interest and a 1% penalty per month. Additionally, owner-occupied property is eligible for tax sale (also known as a tax lien certificate sale) if the combined total of its city liens is \$1000 or more. For non-owner-occupied properties, the threshold is \$750.00.

To support homeowners, Council Bill 26-0152 authorizes the creation of installment payment plans for certain property tax arrearages, which is allowed under State law, Md. Code, Tax-Prop., 10-209. Under this legislation, property owners who remain compliant by making payments at least every 90 days are protected from collection actions. This program is designed to help homeowners stay in good standing and will ultimately reduce the number of residential properties from entering tax sale,

improve housing stability for residents, increase transparency, and improve recovery of delinquent tax revenue.

The City secured an emergency contract with Promise Network Inc (Promise) in December 2025 to provide technological and supportive services for the collection of eligible property tax debt. This initiative leverages similar technology and services operated through multi-year agreement with the Department of Public Works (DPW) and Promise to manage delinquent water bills.

The Office of Information and Technology (BCIT) and the Department of Finance (DOF) participated in the initial planning discussions with Promise to evaluate the technical integration required to support the installment payment plan program. BCIT worked with Promise under the DPW program and therefore they were able to leverage existing components within the City's system. Under the provisions of this Bill the City Tax Sale Ombudsman within Department of Housing and Community Development (DHCD) will assist eligible homeowners with this program and include enrollment information on their website.

Based on favorable agency reports from DOF, BCIT, and DHCD, the program is ready to launch and will take effect on the date of enactment. Additional pre-legislative work has already been underway that included the mailing of payment plan information with final tax sale letters on April 8, 2026. Enrollments into the program can begin immediately for the upcoming tax sale cycle for any residential property owner with an outstanding real property tax bill from the 2024/2025 tax year and earlier. The last day to enroll in the program for the year will be May 12, 2026, and all enrolled properties will be removed from the tax sale on May 13, 2026.

For this program Promise will supply a bilingual website and marketing content for outreach and enrollment, maintain the software after launch with updated and technical support. Additionally, the agreement with Promise is to provide operational support that includes customer support, coordinating protocols for inquiries, and technical support. Promise will deliver a reporting dashboard with ongoing analytics that includes recommendations to improve program performance over time.

FISCAL NOTE

An \$800,000 agreement is already active with Promise Network Inc. for the period of December 2025 to September 2027 for the PromisePay program and related operational support needed to implement this legislation. According to the DOF, BCIT, and DHCD, this Bill creates no additional fiscal impact or further financial obligations for their individual agencies. However, the FY 2027 Preliminary Budget does reflect an enhancement to the Law Department (Service 861: Controversies) to include the creation of two solicitor positions to manage Property Tax Payment Plans. Ultimately, this program seeks to recover delinquent tax revenue, while avoiding the financial losses and housing instability associated with tax sales.

Analysis by: Paroma Nandi
Analysis Date: 4/13/2026

Direct Inquiries to: Paroma.Nandi@baltimorecity.gov

**CITY OF BALTIMORE
COUNCIL BILL 26-0152
(First Reader)**

Introduced by: Councilmember Ramos
Cosponsored by: President Cohen and Councilmembers Middleton, Porter, Gray, Parker,
Conway, Torrence, Bullock, Blanchard, and Jones
At the request of: The Administration (Department of Finance)
Introduced and read first time: February 23, 2026
Assigned to: Budget and Appropriations Committee

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

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Installment Payment Plans – Property Taxes in Arrears – Residential Property**

3 FOR the purpose of authorizing certain property tax arrearages to be paid through an installment
4 payment plan; requiring the Director of Finance to establish an installment payment program;
5 setting eligibility requirements for the program; prohibiting the Director from taking certain
6 action against a person if compliant with a plan; establishing the effect of non-compliance
7 with a plan; specifying the contents of the notice of an offer of a plan; specifying certain
8 terms of the installment payment plan; requiring the publication of certain information on the
9 City Tax Sale Ombudsman’s website; providing for a special effective date; and generally
10 relating to installment payments of certain property taxes in Baltimore City.

11 BY authority of
12 Article – Tax – Property
13 Section 10-209
14 Annotated Code of Maryland
15 (2019 Replacement Volume and 2025 Supplement)

16 BY adding
17 Article 28 - Taxes
18 Sections 7B-1 to 7B-3, to be under the new subtitle designation,
19 “Subtitle 7B. Installment Payments for Taxes in Arrears”
20 Baltimore City Code
21 (Edition 2000)

22 BY repealing and re-ordaining, with amendments
23 Article 28 - Taxes
24 Section 8-6(c)
25 Baltimore City Code
26 (Edition 2000)

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

Council Bill 26-0152

1 (E) *ELIGIBLE PROPERTY.*

2 “ELIGIBLE PROPERTY” MEANS ANY PROPERTY THAT HAS A DWELLING.

3 (F) *PROPERTY.*

4 “PROPERTY” MEANS ANY UNIT OF REAL PROPERTY THAT IS SUBJECT TO THE REAL
5 PROPERTY TAX OF BALTIMORE CITY.

6 **§ 7A-2. INSTALLMENT PAYMENT PROGRAM.**

7 (A) *ESTABLISHMENT.*

8 THE DIRECTOR SHALL ESTABLISH AN INSTALLMENT PAYMENT PROGRAM:

9 (1) IN WHICH ANY PERSON WITH A LEGAL INTEREST IN AN ELIGIBLE PROPERTY MAY
10 ENROLL; AND

11 (2) THAT ALLOWS ANY PERSON WITH A LEGAL INTEREST IN AN ELIGIBLE PROPERTY TO:

12 (I) MAKE PAYMENT OF TAXES IN ARREARS ON AN ELIGIBLE PROPERTY; AND

13 (II) MAKE PAYMENT OF ANY FEE OR CHARGE OF ANY KIND THAT IS INCLUDED
14 ON A PROPERTY TAX BILL FOR THAT ELIGIBLE PROPERTY.

15 (B) *COMPLIANCE WITH INSTALLMENT PAYMENT PLAN.*

16 (1) *DETERMINATION OF COMPLIANCE.*

17 A PERSON IS NOT IN COMPLIANCE WITH THE TERMS OF AN INSTALLMENT PAYMENT
18 PLAN IF THE MINIMUM PAYMENT ON THAT INSTALLMENT PAYMENT PLAN IS NOT MADE
19 FOR A PERIOD OF 90 DAYS AFTER THE DATE THE PAYMENT IS DUE.

20 (2) *PROHIBITION AGAINST ACTION IF IN COMPLIANCE.*

21 IF A PERSON IS IN COMPLIANCE WITH THE TERMS OF AN INSTALLMENT PAYMENT PLAN
22 UNDER THIS SECTION, THE DIRECTOR MAY NOT TAKE ACTION UNDER TITLE 14,
23 SUBTITLE 8 OF THE STATE TAX-PROPERTY ARTICLE {“COLLECTION”} TO COLLECT
24 ANY PROPERTY TAXES IN ARREARS THAT ARE INCLUDED IN THE INSTALLMENT
25 PAYMENT PLAN.

26 (3) *REMEDIES AVAILABLE IF NOT IN COMPLIANCE.*

27 IF A PERSON IS NOT IN COMPLIANCE WITH THE TERMS OF AN INSTALLMENT PAYMENT
28 PLAN, THE DIRECTOR MAY:

29 (I) TERMINATE THE PERSON’S INSTALLMENT PAYMENT PLAN; AND

Council Bill 26-0152

1 (II) TAKE ACTION UNDER TITLE 14, SUBTITLE 8 OF THE STATE TAX-PROPERTY
2 ARTICLE {"COLLECTION"} TO COLLECT THE PROPERTY TAXES IN ARREARS
3 THAT WERE INCLUDED IN THE INSTALLMENT PAYMENT PLAN.

4 (C) *NOTICE.*

5 EACH OFFER OF AN INSTALLMENT PAYMENT PLAN SHALL:

- 6 (1) INCLUDE THE AVAILABILITY OF AN INSTALLMENT PAYMENT PLAN;
- 7 (2) STATE THE MINIMUM TERMS OF THE PLAN THAT WOULD BE ACCEPTABLE TO THE
8 DIRECTOR;
- 9 (3) EXPLAIN ANY ALTERNATE TERMS THAT MAY BE AVAILABLE;
- 10 (4) STATE THE DATE BY WHICH THE DEPARTMENT MUST BE CONTACTED TO ENTER
11 INTO AN INSTALLMENT PAYMENT PLAN;
- 12 (5) INDICATE THE NAME AND TELEPHONE NUMBER OF A DEPARTMENT
13 REPRESENTATIVE THAT A PERSON MAY CALL TO DISCUSS THE INSTALLMENT
14 PAYMENT PROGRAM; AND
- 15 (6) STATE WHAT ACTION THE DEPARTMENT MAY TAKE IF THE PERSON DOES NOT
16 ENTER INTO AN INSTALLMENT PAYMENT PLAN BY THE DATE SPECIFIED IN
17 PARAGRAPH (4) OF THIS SUBSECTION.

18 (D) *TERMS OF PLAN.*

19 AN INSTALLMENT PAYMENT PLAN SHALL SET FORTH:

- 20 (1) THE TOTAL AMOUNT AND DATES OF THE DELINQUENT CHARGES COVERED BY THE
21 PLAN;
- 22 (2) THE TOTAL VALUE OF THE PLAN, IF DIFFERENT THAN THE AMOUNT IN
23 PARAGRAPH (1) OF THIS SUBSECTION;
- 24 (3) THE TIME PERIOD OVER WHICH THE TOTAL AMOUNT SHALL BE PAID;
- 25 (4) THE NUMBER, DUE DATE, AND AMOUNT OF EACH INSTALLMENT PAYMENT DUE
26 UNDER THE PLAN; AND
- 27 (5) WHETHER INVOICES WILL BE SENT BY MAIL OR ELECTRONIC MEANS.

28 (E) *PLAN STATEMENT.*

29 THE DEPARTMENT SHALL SEND TO A PERSON WITH AN INSTALLMENT PAYMENT PLAN A
30 STATEMENT THAT PROVIDES 30 DAYS' NOTICE OF EACH INSTALLMENT PAYMENT DUE
31 UNDER THE PLAN.

Council Bill 26-0152

1 (F) *ANNUAL REPORT.*

2 ON OR BEFORE JULY 1 OF EACH YEAR, THE DEPARTMENT SHALL PROVIDE TO THE MAYOR
3 AND CITY COUNCIL A REPORT THAT CONTAINS THE FOLLOWING INFORMATION:

- 4 (1) THE TOTAL NUMBER OF PERSONS ENROLLED IN AN ACTIVE INSTALLMENT PAYMENT
5 PLAN AND THE AVERAGE AMOUNT OF ARREARAGE FOR ALL PLANS;
- 6 (2) THE TOTAL NUMBER OF PERSONS THAT ENTERED INTO AN INSTALLMENT PAYMENT
7 PLAN IN THE PRIOR FISCAL YEAR AND THE AVERAGE AMOUNT OF ARREARAGE;
- 8 (3) THE NUMBER OF PERSONS ENROLLED IN AN INSTALLMENT PAYMENT PLAN THAT
9 ARE NOT IN COMPLIANCE WITH THE PLAN AND THE AVERAGE AMOUNT OF
10 ARREARAGE;
- 11 (4) A SUMMARY OF THE RESOURCES THAT ARE AVAILABLE TO ASSIST A PERSON THAT
12 IS NOT IN COMPLIANCE WITH AN INSTALLMENT PAYMENT PLAN;
- 13 (5) A SUMMARY OF THE OUTREACH CONDUCTED BY THE DEPARTMENT TO ENCOURAGE
14 PEOPLE TO ENROLL IN AN INSTALLMENT PAYMENT AGREEMENT; AND
- 15 (6) ANY ADDITIONAL INFORMATION REQUESTED BY THE DIRECTOR THAT IS RELEVANT
16 TO PROPERTY TAX ARREARAGES AND INSTALLMENT PAYMENT AGREEMENTS
17 AUTHORIZED UNDER THIS SUBTITLE.

18 **§ 7A-3. RULES AND REGULATIONS.**

19 SUBJECT TO TITLE 4 {“ADMINISTRATIVE PROCEDURE ACT – REGULATIONS”} OF THE CITY
20 GENERAL PROVISIONS ARTICLE, THE DIRECTOR MAY ADOPT RULES AND REGULATIONS TO
21 CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

22 **Subtitle 8. Tax Sales**

23 **§ 8-6. City Tax Sale Ombudsman.**

24 (c) *Duties of Ombudsman.*

25 The Ombudsman shall:

- 26 (1) assist homeowners to understand the process for collection of delinquent taxes;
- 27 (2) actively assist homeowners to apply for tax credits, discount programs, and other
28 public benefits that may assist the homeowners to pay delinquent taxes and
29 improve their financial situation;
- 30 (3) refer homeowners to legal services, housing counseling, and other social services
31 that may assist homeowners to pay delinquent taxes and improve their financial
32 situation; and

Council Bill 26-0152

1 (4) maintain a website that:

2 (I) functions as a clearinghouse for information concerning:

3 (A) [(i)] the process for collection of delinquent taxes; and

4 (B) [(ii)] services and programs that are available to assist
5 homeowners to pay delinquent taxes and improve their financial
6 [situation.] SITUATION; AND

7 (II) INCLUDES:

8 (A) A NOTICE REGARDING ELIGIBILITY TO ENROLL IN AN INSTALLMENT
9 PAYMENT PLAN;

10 (B) A COMPLETE DESCRIPTION OF THE INSTALLMENT PAYMENT
11 PROGRAMS ESTABLISHED UNDER SUBTITLES 7A. AND 7B. OF THIS
12 ARTICLE; AND

13 (C) DETAILED INSTRUCTIONS ON HOW TO ENROLL IN THE INSTALLMENT
14 PAYMENT PROGRAMS ESTABLISHED UNDER SUBTITLES 7A. AND 7B.
15 OF THIS ARTICLE.

16 **SECTION 2. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the date it is
17 enacted.

BALTIMORE CITY COUNCIL



BUDGET & APPROPRIATIONS COMMITTEE

26-0152

*Installment Payment Plans – Property Taxes in
Arrears – Residential Property*

Agency Reports

CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor



DEPARTMENT OF LAW
EBONY M. THOMPSON, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

March 17, 2026

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

Re: City Council Bill 26-0152 – Installment Payment Plans – Property Taxes in Arrears – Residential Property

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 26-0152 for form and legal sufficiency. The bill would implement the state enabling law in Section 10-209 of the Tax-Property Article of the Maryland Code that permits the City to create by local law an installment payment plan for real property taxes in arrears on residential property. Md. Code, Tax-Prop., § 10-209; 2024 Md. Laws, ch. 771; 2025 Md. Laws, ch. 108. So long as the property owner remains in compliance with the installment payment plan by making a payment at least every ninety days, the state law prevents the City from collecting the overdue property taxes by any means provided in Subtitle 8 (Collections) of Title 14 (Process) of the Maryland Code including tax sale or judicial in rem foreclosure. Md. Code, Tax-Prop., § 10-209(c). The City law may establish the criteria for a payment plan, the process to enroll, the frequency and due dates and any other necessary provisions. Md. Code, Tax-Prop., § 10-209(d).

Since the bill is in accord with the state enabling law, the Law Department can approve it for form and legal sufficiency.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Hilary Ruley".

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



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Michael Mocksten, Director, Finance Department <i>Mocksten</i>
DATE	April 1 st , 2026
SUBJECT	City Council Bill 26-0152, Installment Payment Plans – Property Taxes in Arrears – Residential Property

The Honorable President and
Members of the City Council
City Hall, Room 400

Position: Support

The Department of Finance is herein reporting on City Council Bill 26-0152, Installment Payment Plans – Property Taxes in Arrears – Residential Property, the purpose of which is authorizing certain property tax arrearages to be paid through an installment payment plan; requiring the Director of Finance to establish an installment payment program; setting eligibility requirements for the program; prohibiting the Director from taking certain action against a person if compliant with a plan; establishing the effect of non-compliance with a plan; specifying the contents of the notice of an offer of a plan; specifying certain terms of the installment payment plan; requiring the publication of certain information on the City Tax Sale Ombudsman’s website; providing for a special effective date; and generally relating to installment payments of certain property taxes in Baltimore City,

Background

Under current policy, property tax payments are due on July 1st for full-year payment. Semiannual payment schedules for property taxes are authorized for owner-occupied residential properties and businesses with combined total State, City, and Special Benefit tax payments below \$100,000. Semiannual payments are due by September 30th and December 31st when opted into.

In the last term of the Council several bills had been introduced seeking to create payment plans for real property taxes. These items have included:

Bill #	Bill Title	Bill Intent	Disposition
21-0002	Real Property Tax Installment Plans	Creates installment plans to pay for prospective real property taxes	Withdrawn
21-0016	Liens and Late Charges - Installment Plans	Creates installment plans for liens and taxes that are in arrears	Withdrawn
21-0058	Real Property Tax – Installment Plans	Creates installment plans to pay for prospective real property taxes	Enacted
23-0373	Real Property Tax - Installment Plans - Tax in Arrears	Creates installment plans for taxes that are in arrears	Failed – end of term

State law (Section 14-811(e) of the Tax-Property Article of the Maryland Code) allows local jurisdictions to exempt properties enrolled in payment plans from the annual tax sale process. In addition, Section 10-209 of the Tax-Property Article authorizes local jurisdictions to establish installment payment plans for delinquent property taxes through local ordinance. If the property is withheld from tax sale under such a plan, the City must arrange for payment to the State of any State property taxes in arrears on the property. The City is preparing to utilize the payments to pay the State portion of the property taxes first, and then to pay the City's portion of the debt that is in arrears. Residents who sign up for the program and maintain payments consistent with their plan, will stay out of tax sale.

Promise will support implementation by providing technical documentation, business rules guidance, and a project timeline, with success dependent on timely and accurate data exchanges, proper account eligibility flagging, and daily data processing. The project requires early delivery of testing data and consecutive periods of successful testing in both development and production environments. Promise will supply bilingual website and marketing content and maintain the software after launch with updates and technical support. For operations, Promise offers customer phone support during standard weekday business hours, training for the client's support team, and coordination protocols for handling inquiries, while technical support is available 24/7. The company also provides a reporting dashboard and ongoing analytics, including recommendations to improve program performance over time.

Fiscal Impact

The Department of Finance has contracted with Promise Network Inc (Promise) to utilize their PromisePay program to implement this legislation. The contract is for \$800,000 to assist in the collection of eligible property tax debt.

Conclusion

In conclusion, implementation of this program is expected to require an \$800,000 contractual investment to support the administration of payment plans for eligible property owners in outstanding property tax debt across Baltimore City. By enabling property owners with delinquent real property tax bills enter into payment plans and avoid tax sale, the program is intended to increase long-term tax collection while stabilizing homeownership and reducing the administrative burdens associated with the tax sale process. The Department of Finance's partnership with Promise Pay will provide the technical infrastructure, customer support, and data management necessary to operationalize the program and support ongoing monitoring of its performance.

For the reasons stated above, the Department of Finance supports City Council Bill 26-0152.

cc: Bob Cename
Yoanna Moisides
Nina Themelis



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	T.J. Mayotte, Director Baltimore City Office of Information and Technology <i>TJM</i>
CC	Nina Themelis, Director, Mayor's Office of Government Relations
DATE	April 9, 2026
SUBJECT	Council Bill 26-0152 Installment Payment Plans – Property Taxes in Arrears – Residential Property

POSITION: FAVORABLE

BILL SYNOPSIS

The Baltimore City Office of Information and Technology has completed its review of Council Bill 26-0152 Installment Payment Plans – Property Taxes in Arrears – Residential Property. The purpose of this bill is to authorize certain property tax arrearages to be paid through an installment payment plan; require the Director of Finance to establish an installment payment program; set eligibility requirements for the program; and specify certain terms of the installment payment plan.

SUMMARY OF POSITION

The Baltimore City Office of Information & Technology (BCIT) has partnered with the Department of Finance (DOF) to enable payment plans for Real Property tax bills through the PromisePay platform. BCIT participated in initial planning discussions with DOF and PromisePay to evaluate the technical integration required to support an installment payment plan program in the fall of last year. As BCIT had previously completed integration between PromisePay with the City's mainframe to support payment plans for the Department of Public Works, we were able to leverage certain existing components in our system while reducing development time and risk.

In early December, BCIT moved forward with an accelerated development schedule. The teams finalized the scope then completed the integration and testing phases. Production operations began in January of this year. While the official public launch is pending, the system is in production and daily file exchanges are occurring between BCIT and PromisePay to ensure readiness for launch.

If you have questions, please contact Fabienne Dorceus, Program Manager, at (410) 913-0556.



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Timothy Keane, Acting Commissioner, Housing and Community Development
CC	Mayor's Office of Government Relations
DATE	April 9, 2026
SUBJECT	26-0152 Installment Payment Plans – Property Taxes in Arrears

Position: Favorable

BILL SYNOPSIS

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 26-0152 Installment Payment Plans – Property Taxes in Arrears – Residential Property for the purpose of authorizing certain property tax arrearages to be paid through an installment payment plan; requiring the Director of Finance to establish an installment payment program; setting eligibility requirements for the program; prohibiting the Director from taking certain action against a person if compliant with a plan; establishing the effect of non-compliance with a plan; specifying the contents of the notice of an offer of a plan; specifying certain terms of the installment payment plan; requiring the publication of certain information on the City Tax Sale Ombudsman's website; providing for a special effective date; and generally relating to installment payments of certain property taxes in Baltimore City.

If enacted, City Council Bill 26-0152 would mandate that the Director of the Baltimore City Finance Department establish an installment payment plan for residential taxes. This Bill would also prohibit the Director from sending any residential property with an installment plan in good standing to tax sale. Finally, this Bill would require the City Tax Sale Ombudsman to publish certain information relevant to the installment plan on their website. If approved, this Bill will take effect on the day of its enactment.

SUMMARY OF POSITION

The City Tax Sale Ombudsman position is housed within the Department of Housing and Community Development under the Office of Homeownership & Housing Preservation's Tax Sale Deferral Program. The Tax Sale Deferral Program allows applicable homeowners to defer eligible property taxes that may be owed. This program can be especially useful in helping legacy homeowners, seniors, residents with disabilities, and low-income households to stay out

of tax sale and protect their homes. The Ombudsman's efforts focus heavily on the promotion of tax sale clinics, community-based information sessions, and directly assisting homeowners in applying for appropriate tax credits. We also work closely with local non-profit organizations to connect homeowners with additional wrap-around services suited to their needs.

This Bill would require the Ombudsman to add certain information to their website, namely a notice regarding eligibility to enroll in a property tax payment plan, a complete description of said payment plan, and detailed instructions on how to apply. As these requirements would support the promotion and enrollment of homeowners onto the property tax payment plan and thereby increase the likelihood of staying in their homes, DHCD greatly supports its efforts. Keeping homeowners in their homes is essential for preserving affordable housing, maintaining sustainable neighborhoods, and halting the spread of blight within Baltimore City. We feel that the residential property tax installment plan and corresponding protections proposed within this Bill are tangible, responsible steps towards supporting homeowners. DHCD respectfully requests a favorable report on City Council Bill *26-0152 Installment Payment Plans – Property Taxes in Arrears*.

FISCAL IMPACT

As drafted, this Bill would have minimal fiscal impact on DHCD.

AMENDMENTS

DHCD does not seek any amendments to this Bill at this time.

BALTIMORE CITY COUNCIL



BUDGET & APPROPRIATIONS COMMITTEE

26-0152

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Arrears – Residential Property*

Additional Materials



Brandon M. Scott
Mayor

Budget and Appropriations Committee

Council Bill 26-0152

**Installment Payment Plans – Property Taxes in Arrears –
Residential Property**

PREPARED BY
Department of Finance

April 14th, 2026

Agenda

1. The Opportunity
2. Who is Eligible
3. How Payment Plans Will Work
4. Plan to Engage Eligible Homeowners
5. Next Steps & Timeline
6. Appendix



The Opportunity

This bill creates a structured pathway for homeowners to resolve residential property tax debt while maintaining home ownership.

This means:

- Fewer properties entering tax sale
- Greater housing stability for Baltimore residents
- Improved transparency and reporting on tax arrears programs
- Potential recovery of delinquent tax revenue



Who is Eligible

Any **residential property owner** with outstanding real property tax bills from the **2024/2025 tax year and earlier**



Who Is Eligible, cont.

Snapshot:

- In total, there are 27,592 properties that are plan-eligible.
 - \$6,492.82 average debt balance
- Of the eligible properties, 6,695 (~24%) are owner-occupied.
- Owner-occupied properties are heavily concentrated in the lower balance ranges.
 - 43.6% of owner-occupied accounts are under \$1k
 - 84.5% are under \$5k
 - Only ~2.5% exceed \$20k



How Payment Plans Will Work

Program Operations:

- Eligible residents will enroll in structured installment payment plans through Promise Network, Inc., the same secure payment plan provider that has already helped Baltimore residents manage their water bills through their PromisePay platform.
- The City will automatically calculate amounts due, including interest.
- Residents who remain compliant will be exempted from tax sale.

Additional PromisePay Program Features:

- Customer support and self-service payment portal
- Data reporting and program analytics
- Outreach and enrollment support



Plan to Engage Eligible Homeowners

Communications & Outreach:

Pre-legislation

- Outreach focuses on building awareness and encouraging residents to sign up for text alerts for payment plan updates.
- Social media campaigns (including Mayor's channels) and printed/digital materials distributed through DHCD, BRC counters, and tax sale prevention events.
- Promise Pay text outreach targeted to homeowners already on a water bill payment encouraging text alert sign-up.
- Payment plan inserts mailed with final tax sale letters on April 8, 2026.
- Outreach materials and training will be provided to community stakeholders, including advocates, Mayor's offices, and Council services.

Post-legislation

- Campaign plan includes weekly social media posts, mailings to residents previously subject to tax sale, posters in public locations, media outreach (TV, radio, CharmTV), and door knocking.
- PromisePay notification to text recipients that payment plans are now available and direction to enrollment page.
- PromisePay notification to water bill payment plan customers that property payment plans are available with direction to enrollment page.



Brandon M. Scott
Mayor

Next Steps & Timeline

Steps:

- Council consideration and passage of the ordinance
- Continued public outreach and pre-enrollment launch
- Payment plans fully implemented ahead of the upcoming tax sale cycle

Timeline:

- **April 14, 2026:** Budget and Appropriations Committee Hearing
- **April 27, 2026:** Ordinance passage; program launch date; enrollments begin
- **May 12, 2026:** Last day to enroll in a payment plan
- **May 13, 2026:** Enrolled properties removed from tax sale



Questions / Discussion



Brandon M. Scott
Mayor

BALTIMORE CITY COUNCIL



BUDGET & APPROPRIATIONS COMMITTEE

26-0152

*Installment Payment Plans – Property Taxes in
Arrears – Residential Property*

Public Testimony



Odette Ramos

Baltimore City Councilwoman

District 14

(410) 396 - 4814

odette.ramos@baltimorecity.gov

100 N. Holliday Street, Room 553

Baltimore MD 21202

April 14, 2026

Testimony

26-0152 – Installment Payment Plans – Property Taxes in Arrears – Residential Property SUPPORT

Dear Chair McCray and Members of the Budget and Appropriations Committee:

Thank you for the opportunity to present 26-0152 Installment Payment Plans – Property Taxes in Arrears – Residential Property. I am humbly asking your support for this legislation. It has been a pleasure working with the Department of Finance and Mayor's Office on this important bill. There is no need for amendments.

This bill authorizes the Department of Finance to enroll residents who are behind on their property taxes into payment plans that are monthly. The bill clarifies that payment plans are for all residential properties, and that the property will be removed from tax sale once a payment plan is established.

This is one of the critical pieces to assisting residents so they can avoid tax sale. Many residents just need the opportunity to stretch out payments, or they had a financial hardship one year and need a payment plan to get back on their feet. Moreover, there are several residents who have been pulled from the tax sale for a few years in a row that will need payment plans to be current on their taxes over time.

The property tax payment plans are for all residential properties. This is because we want to capture any residents in tangled title situations. There are several hundred properties where a family member may not have gone through the estates process to transfer the property in their name after a parent passed and there was no will assigning the property. We want these families to be able to participate. Moreover, we are including non-owner occupied properties so that renters have stability, and landlords having financial challenges can spread payments over multiple months. Property tax payment plans are also the cornerstone of reforming our predatory tax sale system.

The outreach to enroll residents started several weeks ago when the interest forms were sent out to ensure residents who wanted payment plans will be contacted once this bill passes. Enrollment in Promise Pay takes minutes. Additional outreach was included in tax bills, Final Bill and Legal Notices, and more. I look forward to working with stakeholders and the Administration to ensure each resident who receives a payment plan is also enrolled in all of the programs they are eligible for to ensure they become financially stable.

I humbly request your favorable report for this legislation.

Respectfully Submitted:

Odette Ramos
Baltimore City Councilwoman, District 14

**BUDGET & APPROPRIATIONS COMMITTEE****The Honorable Danielle McCray
CHAIR****HEARING NOTES**

26-0152

Installment Payment Plans – Property Taxes in Arrears – Residential Property

Hearing Date: 4/14/2026**Hearing Start Time:** 9:57 AM**Hearing End Time:** 11:08 AM**Location:** Du Burns Council Chamber / Webex**Total Estimated Attendance:** 40

	YEA	NAY	ABSENT	ABSTENTION
Final Vote:	4	0	1	0

Committee Members in Attendance:

- **Chair** Danielle McCray
- Sharon Green Middleton
- Antonio Glover
- **Vice Chair** Isaac "Yitzy" Schleifer
- Paris Gray

Additional Councilmembers in Attendance

- Odette Ramos
-

MAJOR SPEAKERS*(This is NOT an attendance record.)*

- Michael Mocksten, Finance Director
 - Ty'lor Schnella, Deputy Director MOGR
 - Yoanna Moises, Deputy Director Finance Operations
-

NOTES

Chair McCray called the hearing to order and began with introducing 26-0152, *Installment Payment Plans – Property Taxes in Arrears – Residential Property* for the purpose of authorizing certain property tax arrearages to be paid through an installment payment plan; requiring the Director of Finance to establish an installment payment program; setting eligibility requirements for the program; prohibiting the Director from taking certain action against a person if compliant with a plan;

establishing the effect of non-compliance with a plan; specifying the contents of the notice of an offer of a plan; specifying certain terms of the installment payment plan; requiring the publication of certain information on the City Tax Sale Ombudsman's website; providing for a special effective date; and generally relating to installment payments of certain property taxes in Baltimore City.

CW Ramos, sponsor of the Bill opened the with remarks on the Bill

- Purpose of this Bill is tax sale reform that will benefit all residential properties. Reason for this is to ensure that all residents, not just homeowners. The Bill comes out of recommendation from the Tax Sale working group that the Mayor organized and is another tool to use.

Chair McCray called on the referred agencies

- Law approves for form & legal sufficiency
- Favorable bill reports from DHCD, BCIT, DOF

Director Mocksten shares a presentation on the Bill that highlights the following:

- Overview of the opportunity – structured pathway for homeowners to resolve residential property tax debt while maintaining homeownership.
- Who is eligible – Any residential property owner with outstanding real property tax bills from the 2024/2025 tax year and earlier
- Total of 27,592 properties that are plan-eligible
- Description of how the payment plans will work, the operations and the PromisePay Program
- Communications and outreach have already begun with pre-legislative work
- Timeline – If Bill passes the program will begin right away. The last day to enroll in the payment plan for this year will be May 12, 2026

Concluding the presentation, the Chair opened the meeting to questions that are highlighted below:

- There is no fiscal impact reported for the Law Department, however, the FY27 budget indicates the addition of 2 solicitor positions.
 - Yes, we can assume it will be part of their workload. However, the law department has a wide range of activities related to the multiple payment plan options related to other collection works.
- Who qualifies for the Payment Plan? How does Finance interpret this?
 - In practice the eligible participant will be the residential property owner, Finance will work with residents
- If they do not make the payment plan – if they fall behind what happens?
 - Collections will work with them. If they fall behind more than 90 days, they are at risk. However, there is no personal risk – just risk to the property.
- Clear example of what can be done with a partnership with Council. Many people thought this could not happen – but good work to everyone who worked on this. Strong part of the revitalization that is taking place.
- Who are 76% of non-owner-occupied residents - how will they participate?
 - Rental properties, living in a property that belonged to family, but ownership has not fully passed to them, and investment properties

- Once they enter a payment plan there is an opportunity to work with the city
- DOF can provide additional information on the breakdown
- Is there a concern about “bad actors” ?
 - Ultimately this Bill is a way to pay your taxes. Doesn’t necessarily address bad actors. The city will have lessons learned and will have the data and metrics to show for this program.
 - Understanding who is signing up and are they eligible for other tax credits
 - Understanding if they are not owner occupied – legacy support
 - If there are rental properties
 - We may be able to make links with DHCD
 - Real data on tax sale properties
- 900 expressed interest – Was there a target number?
 - Want to get as high as possible, did not have a target number.
- What about the landlords that will use the system?
 - There is not much to take advantage of, since this is just a way to pay taxes
- Will the Mayor stop removing owner-occupied houses from the tax sale?
 - We will need to strike the right balance
- What is the interest rate on the payments?
 - Same under law – 2% per month – less than
- How much will this program cost?
 - 800K contract with PromisePay
 - We were doing this the best way we could do manually, during that time people were still falling behind
 - There is a financial risk for the City if we do nothing
 - Banks use this all the time because it works
 - There is a financial incentive to get everyone
- Payment plans are only for residential, not commercial, who is defined by that? Are multi-family included?
 - Based on zoning, so anything considered residential is included in this plan
- Biggest reason to do the payment plan
 - Errors happen – formal payment works
 - Need discipline to pay – formal payments work
 - Make sure people have an easier way to pay their taxes
 - Opportunities to pay future arrears
 - Everyone has the opportunity to pay their taxes
 - Basis of true tax sale reform – this is a predatory practice

Concluding the questions from Council Members, the Chair opened it to Public Testimony.

- Public testimony included representatives for the SoS Fund in support of the Bill
- Additional testimony from a resident that supports the Bill, but the Bill doesn’t help their situation where their house is not considered a vacant house.

Concluding the public testimony, the Chair called the bill for a vote [See Voting Record]. The Bill passed favorably. After the vote the hearing was recessed by the Chair.

FURTHER STUDY REQUESTED

N/A

SEE FINAL VOTE RECORD IN BILL FILE

Hearing Packet in bill file? -----	<input checked="" type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	N/A
Attendance Sheet in bill file? -----	<input checked="" type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	N/A
Vote Record in bill file? -----	<input checked="" type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	N/A
Agency reports read? -----	<input checked="" type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	N/A
Hearing televised or audio-digitally recorded? -----	<input checked="" type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>	N/A
Certification of advertising/posting notices in the bill file? -----	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	N/A
Evidence of notification to property owners in bill file? -----	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	N/A

Notes by: Paroma Nandi
Notes Date: 4/14/2026

Direct Inquiries to: Paroma.Nandi@baltimorecity.gov

CITY OF BALTIMORE

Brandon M. Scott – Mayor
Zeke Cohen – Council President



Office of Council Services

Nancy Mead - Director
100 Holliday Street, Room 415
Baltimore, MD 21202

BUDGET & APPROPRIATIONS COMMITTEE

**The Honorable Danielle McCray
CHAIR**

Bill Vote Record

26-0152

*Installment Payment Plans – Property Taxes in Arrears –
Residential Property*

Recommendation: **FAVORABLE** **FAVORABLE WITH AMENDMENTS**
 UNFAVORABLE **WITHOUT RECOMMENDATION**

COMMITTEE VOTE

Motioned by: Councilmember Middleton

MEMBER	YEA	NAY	ABSENT	ABSTENTION
Danielle McCray	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Isaac "Yitzy" Schleifer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sharon Green Middleton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paris Gray	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Antonio Glover	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTAL	4	0	1	0

Chair: Danielle McCray

Signature: *Danielle McCray*

Committee Staff: Paroma Nandi
Date: 4/14/2026

Direct Inquiries to: Paroma.Nandi@baltimorecity.gov

CITY OF BALTIMORE

Brandon M. Scott – Mayor
Zeke Cohen – Council President



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Nancy Mead - Director
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BUDGET & APPROPRIATIONS COMMITTEE

The Honorable Danielle McCray
CHAIR

Attendance Sheet
4/14/2026

26-0152

Installment Payment Plans – Property Taxes in Arrears – Residential Property

SIGN IN TO TESTIFY			Position:		Check if Baltimore City lobbyist*
FIRST NAME	LAST NAME	ORGANIZATION AND/OR CONTACT INFORMATION	SUPPORT	OPPOSE	
JOHN	KEAN	THE SOS FUND	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nneke	Nnemi	The SOS Fund	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SEAN	HANNON	SELF	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* IF YOU ARE COMPENSATED OR INCUR EXPENSES IN CONNECTION WITH THIS BILL, YOU MAY BE REQUIRED BY LAW TO REGISTER WITH THE CITY ETHICS BOARD AS A LOBBYIST. REGISTRATION CAN BE DONE ONLINE AND IS A SIMPLE PROCESS. FOR INFORMATION VISIT: [HTTPS://ETHICS.BALTIMORECITY.GOV/](https://ethics.baltimorecity.gov/) OR CALL: (410) 396-7986