



# **BALTIMORE CITY COUNCIL HOUSING & ECONOMIC DEVELOPMENT COMMITTEE**

## **Mission Statement**

*The Housing & Economic Development Committee is dedicated to fostering equitable growth and opportunity across Baltimore while addressing historic injustices, such as redlining and other discriminatory policies. Our goals include eliminating vacant properties, ensuring affordable housing, promoting sustainable development, and driving economic growth, job creation, and community revitalization through equitable policies and targeted strategies. By utilizing transparent governance, collaboration, and innovative solutions, we strive to enhance the quality of life for all residents.*

**The Honorable James Torrence**

**CHAIR**

**PUBLIC HEARING**

**May 5, 2026**

**5:15PM**

**CLARENCE "DU" BURNS COUNCIL CHAMBERS**

**25-0088**

*Taxes – Property Tax – Vacant Lots and Vacant  
Structures*

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(Paroma.Nandi@baltimorecity.gov))*

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Odette Ramos

*Staff: Ethan Navarre (Ethan.Navarre@baltimorecity.gov)*



**Meeting: Bill Hearing**

**Committee: Housing & Economic Development**

**Bill # 25-0088**

**Title:** Taxes – Property Tax – Vacant Lots and Vacant Structures

**Purpose:** FOR the purpose of amending the special real property tax rate for vacant and abandoned property to include vacant lots; establishing a subclass of real property of vacant lots and vacant structures; applying a special real property tax rate to the subclass of real property; requiring the provision of notice of the special real property tax rate; providing for the promulgation of rules and regulations; requiring a certain annual report; defining certain terms; repealing certain sections of Ordinance 24-431 that ordained an abrogation date for the Ordinance; and generally relating to the special real property tax rate levied on vacant lots and vacant structures.

**REPORTING AGENCIES**

Agency	Report
Law Dept	Approved for form & sufficiency
Dept of Finance	
Dept of Housing & Community Development	
City Administrator	
Planning Commission	

**BACKGROUND**

**Legislative History**

In 2024, the state passed HB2 *Property Taxes – Authority of Counties to Establish a Subclass and Set a Special Rate for Vacant and Abandoned Property*, which allowed local jurisdictions to set a special tax rate for vacant and abandoned properties. <sup>1</sup>

The state bill that passed allows the Mayor and City Council of Baltimore to set a special rate for “...vacant lot or improved property cited as vacant and unfit for habitation...”.<sup>2</sup>

<sup>1</sup> CBS news article

<sup>2</sup> House Bill 2

That bill also requires that the City submit to the State Department of Housing and Community Development a report that includes:

1. The special tax rate for vacant and abandoned properties
2. The number of properties that the rate applies to
3. The revenue change resulting from the special rate
4. What the revenue from the special rate has been used for
5. Whether properties subject to the special rate are viable for adaptive reuse, as defined in § 1-102 of the state housing and community development article, and plans to convert viable properties.

Later that year, in November 2024, the City Council passed Council Bill 24-0601 *Property Taxes - Special Rate for Vacant and Abandoned Property* to set the tax rate for vacant and abandoned properties. It was signed by the Mayor and goes into effect in fiscal year 2027 (July 1, 2026).<sup>3</sup> That bill set the tax rate for vacant property as three times the full rate for property tax for the first year it is in effect, and four times the rate for the next two years after. The bill is abrogated on June 30, 2029.<sup>4</sup>

### **25-0088 Taxes – Property Tax – Vacant Lots and Vacant Structures**

Council bill 25-0088, if enacted, would repeal portions of Article 28 (Taxes) from the City Code and reenact them with amendments to include:

1. Vacant lots under the special tax rate<sup>5</sup>
  - a. The 2024 bill did not include vacant lots as taxable properties – according to a statement from Councilwoman Ramos, a sponsor of the bill, this was due to concerns about side lots and other lots used for things like community gardens. The Department of Housing and Community Development is conducting a study on these lots to ensure that the correct lots are included in the tax information that must be sent to the state.<sup>6</sup>
2. Sets the tax rate at a flat 4 times the full property tax<sup>7</sup>
  - a. In the 2024 bill the tax rate was set at 3 times the rate for the first year of implementation – this bill sets that at 4 times the rate from the start of the implementation
3. Removes the abrogation clause from the bill<sup>8</sup>
  - a. The 2024 bill had the special tax rate abrogate or sunset after 3 fiscal years – 25-0088 would extend the rate indefinitely.

A vacant lot for the purpose of this bill would be defined as<sup>9</sup>:

- An unimproved parcel of real property or;

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<sup>3</sup> 24-0601 Bill file

<sup>4</sup> 24-0601 Finance Report

<sup>5</sup> 25-0088 1<sup>st</sup> reader

<sup>6</sup> Councilmember Ramos Statement

<sup>7</sup> 25-0088 1<sup>st</sup> reader

<sup>8</sup> 25-0088 1<sup>st</sup> reader

<sup>9</sup> 25-0088 1<sup>st</sup> reader

- An unimproved portion of a block that is identified by a symbol in accordance with City Charter Article VII, § 116(K) and shown on a block plat filed with the Department of Transportation.

According to the Law Department, the State law can only authorize local jurisdictions to create this rate for vacant lots and structures – a structure would need a violation notice for being vacant, such as a Vacant Building Notice (VBN), and would be unable to be used for its authorized use.

The bill relies on state authorization to create a subclass of real property consisting of vacant lots and structures, which are taxed at a different rate than other real property. The bill also requires that<sup>10</sup>:

- The Director of Finance and the Housing Commissioner adopt rules and regulations to carry out the provisions of the subtitle
- That the Department of Finance submit to the Mayor and City Council each year on or before December 1<sup>st</sup> a report which includes all of the items that the City must report to the state as a result of exercising its authority to set this special tax rate.

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### ***ADDITIONAL INFORMATION***

#### **Fiscal Note:**

There are a number of factors in this bill that make a thorough fiscal note difficult. In 2024, for the initial special tax rate, the Department of Finance estimated that if the tax was paid on just the vacant structures, it would generate over 98 million dollars of additional revenue over the three fiscal years that the rate was set to be active. Adding the value of the vacant lots, and setting the rate to four times the property tax rate from the start of would increase the revenue that the tax on these properties would generate.

Two factors make it difficult to estimate how much revenue could be generated:

1. How reliably the tax would be paid:
  - a. The finance report from 2024 notes that it is reasonable to expect that properties that are being taxed would begin to be included in In Rem Foreclosure filings so that the City could acquire these properties.<sup>11</sup> But in order for that to happen, the properties would not be paying taxes, resulting in liens and fines, which would allow the property to move into the In Rem foreclosure process.
  - b. Councilwoman Ramos, the bill’s sponsor, has stated in a statement that the objective of the bill is not to generate revenue but to help move these properties into the In Rem pipeline so that the City can acquire them and then move to dispose of them so they can be redeveloped.

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<sup>10</sup> 25-0088 1<sup>st</sup> reader

<sup>11</sup> 24-0601 Finance report

2. The land itself may be undervalued in tax assessments.
  - a. In August, The Baltimore Banner reported that the state-level entity responsible for the assessment of land for tax purposes had been undervaluing vacant property in the City. The State Department of Assessments & Taxation (SDAT) had been assessing the value of land and improvements separately, and this practice had led to an undervaluation, possibly as much as 484 million dollars.<sup>12</sup>
  - b. The executive summary of the study conducted by the Center for Land Economics notes that this practice incentivizes speculative land banking, which can exacerbate the vacant problem in the City.<sup>13</sup>
  - c. The study goes on to note that more than 9% of the vacant parcels in the city are lots and that over 14% of the parcels in the City owe most of their value to the land that comprises them.

The study notes several areas where SDAT has a lack of data, including:

- Missing building characteristics
- Erroneous sales records
- Misclassification of City Transfers
- Inaccurate vacant/improved flags
- Lack of proper dilapidation flags
- Absence of key depreciation indicators

The study concludes with the recommendation that SDAT improve its data collection in order to realize the benefits that come with the proper assessment of the vacant land. If we assume that the land is being undervalued and that, as new assessments are made that the state takes steps to correct this undervaluation, then the amount of revenue that could be generated by the tax would also increase.

If, though we assume that no significant revenue is raised from this special tax rate, the net effect could still be positive for the fiscal health of the City, as redevelopment could support increased housing density, and additional services & amenities which would help the City's tax base.

The additional properties in the In Rem foreclosure pipeline would be the responsibility of DHCD to both file for and then, once acquired, the properties would need to be managed until they were disposed of by the City. To handle increased volume in the In Rem process, additional resources may be needed at DHCD as well as the Circuit Court to handle the volume. This cost was noted by the Department of Finance in its report for the initial 2024 bill, setting a special tax rate for vacant structures.<sup>14</sup>

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<sup>12</sup> Baltimore Banner Article

<sup>13</sup> SDAT Study Executive Summary

<sup>14</sup> 24-0601 Department of Finance report

**Information Source(s):**

- 25-0088 1<sup>st</sup> Reader
  - 24-0601 Finance Report
  - Baltimore Banner 08/06/2025 “State chronically undervalues vacant land in Baltimore, report finds” <https://www.thebanner.com/community/housing/sdat-undervalues-land-baltimore-HYQQBBUCFBDAJLWK4PJ4R2CUZI/>
  - Statement from Councilmember Odette Ramos <https://www.odetteramos.com/post/introducing-legislation-to-add-vacant-property-tax-to-vacant-lots>
  - Center for Land Economics Study “Vacant Land in Baltimore: The High Cost of Undervaluation” <https://static1.squarespace.com/static/65825f1baedeb8655aa6bfec/t/688cd0b9c0d8ac3bc3cb2319/1754058941563/Vacant+Land+in+Baltimore+-+The+High+Cost+of+Misvaluation.pdf>
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Analysis by: Tony Leva  
Analysis Date:10/29/2025

Direct Inquiries to:

**CITY OF BALTIMORE  
COUNCIL BILL 25-0088  
(First Reader)**

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Introduced by: Councilmember Ramos

Cosponsored by: Councilmembers Middleton, Gray, Bullock, Blanchard, Jones

Introduced and read first time: August 18, 2025

Assigned to: Housing and Economic Development Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of Housing and Community Development, Office of the City Administrator, Planning Commission

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A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Taxes – Property Tax – Vacant Lots and Vacant Structures**

3 FOR the purpose of amending the special real property tax rate for vacant and abandoned property  
4 to include vacant lots; establishing a subclass of real property of vacant lots and vacant  
5 structures; applying a special real property tax rate to the subclass of real property; requiring  
6 the provision of notice of the special real property tax rate; providing for the promulgation of  
7 rules and regulations; requiring a certain annual report; defining certain terms; repealing  
8 certain sections of Ordinance 24-431 that ordained an abrogation date for the Ordinance; and  
9 generally relating to the special real property tax rate levied on vacant lots and vacant  
10 structures.

11 BY repealing and reenacting, with amendments,  
12 Ordinance 24-431  
13 Sections 3 and 4

14 BY repealing and reenacting, with amendments  
15 Article 28  
16 Section 11-1  
17 Baltimore City Code  
18 (Edition 2000)

19 BY adding  
20 Article 28  
21 Sections 11-2 through 11-6  
22 Baltimore City Code  
23 (Edition 2000)

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

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

**Council Bill 25-0088**

**Baltimore City Code**

**Article 28. Taxes**

**Division II. Property Tax**

**Subtitle 11. Vacant [and Abandoned Property] LOTS; VACANT STRUCTURES**

**§ 11-1. [Special rate for vacant and abandoned property.] DEFINITIONS.**

(a) [*Definitions.*] *IN GENERAL.*

[(1) *In general.*]

In this section, the following words have the meanings indicated.

(B) [(2)] *Building.*

“Building” has the meaning stated in City Code Article 13, § 11-1 {“Definitions”}.

(C) [(3)] *Property owner.*

“Property owner” means the person who holds the title to a vacant structure.

(D) *VACANT LOT.*

“VACANT LOT” MEANS:

(1) AN UNIMPROVED PARCEL OF REAL PROPERTY; OR

(2) AN UNIMPROVED PORTION OF A BLOCK THAT IS IDENTIFIED BY A SYMBOL IN ACCORDANCE WITH CITY CHARTER ARTICLE VII, § 116(K) {“SYSTEM OF UNIFORM PROPERTY IDENTIFICATION”} AND SHOWN ON A BLOCK PLAT FILED WITH THE DEPARTMENT OF TRANSPORTATION.

(E) [(4)] *Vacant structure.*

“Vacant structure” has the meaning stated in § 116.4 of the Baltimore City Building Code.

[(b) *Property tax applies.*]

[(1) *In general.*]

[A property classified by the Department of Housing and Community Development as a vacant structure is subject to:]

[(i) in the first full tax year the property is classified as a vacant structure, 3 times the full rate property tax established by City Charter Article VI, § 7(c) {“Enactment of Ordinance of Estimates: Revenue ordinances”}; and]

**Council Bill 25-0088**

1 [(ii) any tax year thereafter that the property is classified as a vacant structure, 4  
2 times the full rate property tax.]

3 [(2) *First tax year.*]

4 [The first tax year when the property tax described in paragraph (1) of this subsection  
5 may be applied in the July 1, 2026 to June 30, 2027 tax year.]

6 [(c) *Rules and regulations.*]

7 [Subject to Title 4 {“Administrative Procedure Act – Regulations”} of the City General  
8 Provisions Article, the Director of Finance and the Commissioner of Housing and  
9 Community Development shall adopt rules and regulations to carry out the provisions of  
10 this subtitle.]

11 [(d) *Notice required.*]

12 [(1) *In general.*]

13 [The City Administrator or the City Administrator’s designee shall notify an owner of  
14 real property located within the City limits of the implementation of the tax  
15 established by this subtitle 11 by the following methods:]

16 [(i) United States mail;]

17 [(ii) advertisement in 2 newspapers in general circulation for a minimum of 2  
18 consecutive weeks during each month of June preceding the tax years listed  
19 below; and]

[Tax Year]	[Date: Start]	[Date: End]
[01]	[July 1, 2026]	[June 30, 2027]
[02]	[July 1, 2027]	[June 30, 2028]
[03]	[July 1, 2028]	[June 30, 2029]

24 [(iii) posting on the City website.]

25 [(2) *Notice by mail.*]

26 [To comply with paragraph (1)(i) of this subsection the City Administrator or the City  
27 Administrator’s designee may include the notice required by paragraph (1) of this  
28 subsection with:]

29 [(i) a water bill; or]

30 [(ii) a violation notice for a vacant structure issued by the Department of Housing  
31 and Community Development.]

**Council Bill 25-0088**

1 [(e) *Reporting.*]

2 [On or before December 1 of each year, the Department of Finance shall submit to the  
3 Mayor and City Council, and in accordance with § 6-302(c)(2) of the State Tax –  
4 Property Article, the Maryland Department of Housing and Community Development,  
5 and the Maryland General Assembly, a report that includes the following:]

6 [(1) the special rate set under State Tax – Property Article § 6-302(c)(1);]

7 [(2) the number of properties to which the special tax rate applies;]

8 [(3) the revenue change resulting from the special rate;]

9 [(4) the use of the revenue from the special rate;]

10 [(5) whether properties subject to the special rate are viable for adaptive reuse, as  
11 defined in § 1-102 of the State Housing and Community Development Article;  
12 and]

13 [(6) any existing plans to convert properties viable for adaptive reuse.]

14 **§ 11-2. ESTABLISHMENT OF SUBCLASS OF REAL PROPERTY.**

15 AS AUTHORIZED UNDER STATE TAX – PROPERTY ARTICLE § 6-202.1 {“SUBCLASS OF REAL  
16 PROPERTY CONSISTING OF VACANT LOTS OR IMPROVED PROPERTY CITED AS VACANT AND  
17 UNFIT FOR HABITATION”}, THE MAYOR AND CITY COUNCIL OF BALTIMORE ESTABLISH A  
18 SUBCLASS OF REAL PROPERTY CONSISTING OF:

19 (1) VACANT LOTS; AND

20 (2) VACANT STRUCTURES.

21 **§ 11-3. SPECIAL REAL PROPERTY TAX RATE.**

22 (A) *IN GENERAL.*

23 A SPECIAL REAL PROPERTY TAX RATE IS ESTABLISHED FOR:

24 (1) VACANT LOTS; AND

25 (2) VACANT STRUCTURES.

26 (B) *SPECIAL TAX RATE.*

27 VACANT LOTS AND VACANT STRUCTURES ARE SUBJECT TO 4 TIMES THE FULL RATE  
28 PROPERTY TAX ESTABLISHED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE UNDER  
29 CITY CHARTER ARTICLE VI, § 7(C) {“ENACTMENT OF ORDINANCE OF ESTIMATES:  
30 REVENUE ORDINANCES”}.

**Council Bill 25-0088**

**§ 11-4. NOTICE REQUIRED.**

(A) *IN GENERAL.*

THE CITY ADMINISTRATOR OR THE CITY ADMINISTRATOR’S DESIGNEE SHALL NOTIFY AN OWNER OF REAL PROPERTY LOCATED WITHIN THE CITY LIMITS OF THE IMPLEMENTATION OF THE TAX ESTABLISHED BY THIS SUBTITLE 11 BY THE FOLLOWING METHODS:

- (1) UNITED STATES MAIL;
- (2) ADVERTISEMENT IN 2 NEWSPAPERS IN GENERAL CIRCULATION FOR A MINIMUM OF 2 CONSECUTIVE WEEKS DURING EACH MONTH OF JUNE PRECEDING EACH TAX YEAR;  
AND
- (3) POSTING ON THE CITY WEBSITE.

(B) *NOTICE BY MAIL.*

TO COMPLY WITH SUBSECTION (A)(1) OF THIS SECTION THE CITY ADMINISTRATOR OR THE CITY ADMINISTRATOR’S DESIGNEE MAY INCLUDE THE NOTICE REQUIRED BY THIS SECTION WITH:

- (1) A WATER BILL; OR
- (2) A VIOLATION NOTICE FOR A VACANT STRUCTURE ISSUED BY THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

**§ 11-5. RULES AND REGULATIONS.**

SUBJECT TO TITLE 4 {“ADMINISTRATIVE PROCEDURE ACT – REGULATIONS”} OF THE CITY GENERAL PROVISIONS ARTICLE, THE DIRECTOR OF FINANCE AND THE COMMISSIONER OF HOUSING AND COMMUNITY DEVELOPMENT SHALL ADOPT RULES AND REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

**§ 11-6. REPORTING.**

ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE DEPARTMENT OF FINANCE SHALL SUBMIT TO THE MAYOR AND CITY COUNCIL, AND IN ACCORDANCE WITH § 6-302(C)(2) OF THE STATE TAX – PROPERTY ARTICLE, THE MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, AND THE MARYLAND GENERAL ASSEMBLY, A REPORT THAT INCLUDES THE FOLLOWING:

- (1) THE SPECIAL RATE SET UNDER STATE TAX – PROPERTY ARTICLE § 6-302(C)(1);
- (2) THE NUMBER OF PROPERTIES TO WHICH THE SPECIAL TAX RATE APPLIES;
- (3) THE REVENUE CHANGE RESULTING FROM THE SPECIAL RATE;
- (4) THE USE OF THE REVENUE FROM THE SPECIAL RATE;

**Council Bill 25-0088**

1 (5) WHETHER PROPERTIES SUBJECT TO THE SPECIAL RATE ARE VIABLE FOR ADAPTIVE  
2 REUSE, AS DEFINED IN § 1-102 OF THE STATE HOUSING AND COMMUNITY  
3 DEVELOPMENT ARTICLE; AND

4 (6) ANY EXISTING PLANS TO CONVERT PROPERTIES VIABLE FOR ADAPTIVE REUSE.

5 **Ordinance 24-431**

6 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes  
7 effect on January 1, 2025. [This Ordinance will remain effective through the 3 tax  
8 years listed below.]

[Tax Year]	[Date: Start]	[Date: End]
[01]	[July 1, 2026]	[June 30, 2027]
[02]	[July 1, 2027]	[June 30, 2028]
[03]	[July 1, 2028]	[June 30, 2029]

9  
10  
11  
12  
13 **[SECTION 4. AND BE IT FURTHER ORDAINED,** That at the end of the 3 tax-year  
14 period, as of July 1, 2029, with no further action by the Mayor and City Council,  
15 this Ordinance will be abrogated and of no further effect.]

16 **SECTION 3. AND BE IT FURTHER ORDAINED,** That the first tax year when the special real  
17 property tax rate described in § 11-3 of this Ordinance may be applied is the July 1, 2026 to  
18 June 30, 2027 tax year.

19 **SECTION 4. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30<sup>th</sup> day  
20 after the date it is enacted.

**AMENDMENTS TO COUNCIL BILL 25-0088  
(1<sup>st</sup> Reader Copy)**

By: Councilmember Ramos  
{To be offered to the Housing and Economic Development Committee}

**Amendment No. 1**

On page 2, strike “116.4” and substitute “[~~116.4~~ 116.4.1.2.2.A]”.

**Amendment No. 2**

On page 6, in line 17, strike “2026” and substitute “2027”; and, on that same page, in line 18, strike “2027” and substitute “2028”; and, on that same page, in lines 19 and 20, strike “the 30<sup>th</sup> day after”.

# BALTIMORE CITY COUNCIL



## HOUSING & ECONOMIC DEVELOPMENT COMMITTEE

*25-0088*

*Taxes – Property Tax – Vacant Lots and Vacant  
Structures*

# Agency Reports

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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

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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**  
(1<sup>st</sup> 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”.

# BALTIMORE CITY COUNCIL



## HOUSING & ECONOMIC DEVELOPMENT COMMITTEE

25-0088

*Taxes – Property Tax – Vacant Lots and Vacant  
Structures*

# Public Testimony



**Odette Ramos**

**Baltimore City Councilwoman**

**District 14**

(410) 396 - 4814

[odette.ramos@baltimorecity.gov](mailto:odette.ramos@baltimorecity.gov)

100 N. Holliday Street, Room 553

Baltimore MD 21202

### **Testimony**

### **25-0088-Taxes – Vacant Property Tax – Vacant Lots and Vacant Structures**

### **Support with Sponsor Amendments**

**May 5, 2026**

Dear Chair Torrence and Members of the Housing and Economic Development Committee:

I am writing to ask for your support for City Council Bill **25-0088 – Taxes – Vacant Property Tax – Vacant Lots and Vacant Structures** with two Sponsor amendments. This is an enhancement to the version of the vacant property tax passed in the last Council session 24-0601.

CB25-0088 does three main things:

- A. Adds the vacant property tax already established on vacant structures to vacant lots.
- B. Automatically makes the vacant property tax 4 times the current tax rate. The original bill had a step approach for the first year being 3 times the rate, and after that four times the rate. We removed the provision about three times the rate.
- C. Removes the sunset in the original bill so that the vacant property tax applies every year.

There is one amendment to move the enactment date from July 1, 2026 to July 1, 2027 to allow for one more year for implementation and discussions regarding exceptions. There are further details about this later in this testimony. The other amendment is at the request of the Law Department for proper citation of the building code.

Taxes are generally used for revenue generation, or for behavior change. In this case, the vacant property tax is being used for behavior change, and increasing eligibility for In Rem.

In Rem is the City's primary acquisition strategy for vacant lots and vacant structures. When liens exceed the assessed value of the property, the City can foreclose on the property and take possession to ensure the property goes to someone who will bring the property to productive use. According to data from September of 2025 and analyzed by my office, there are 3,037 vacant structures eligible for In Rem and 4,861 vacant lots. Data from DHCD as of April 10, 2026 details 2,164 In Rem eligible vacant structures and 3,337 vacant lots. In the absence of In Rem 2, we need a mechanism to make more properties eligible for In Rem and the vacant property tax will help to push liens higher than the assessed value of a property.

Related to behavior change, we believe that those who are holding onto vacant properties and lots sometimes need a push to redevelop it to productive use. The way to avoid paying four times the current tax rate would be to redevelop the property and remove the Vacant Building Notice.

Thanks to Delegate Boyce and Senator Hayes, the General Assembly finally authorized Baltimore City and all jurisdictions to create a vacant property tax on vacant structures and vacant lots in the 2024

General Assembly session. This was a substantial effort, given that the General Assembly has been hesitant in the past to levy the property tax differently for various types of properties.

One of the reasons why vacant lots were not added to our original City Council bill last term was because of data issues with vacant lots. There were also concerns about privately owned lots that are side yards or community gardens. DHCD has been going through a process to inventory the vacant lots and propose “uses” so that side yards would not get the vacant property tax.

While we look to make sure the tax is having the intended effect outlined above, we wanted to avoid any potential harm. There are three parties that could potentially be harmed by the vacant property tax:

- Homeowners who have inadvertently purchased homes that have VBNs on them but are fully rehabbed. This is a list of about 400 homeowners impacted.
- Developers and our community development partners who own VBN property and are possibly holding for redevelopment.
- Developers and renovators doing the work to rehab vacant properties that are diligently working on them with proper permits.

The state enabling legislation does not allow us to legislate exceptions for the above classes or any class of owners. So we have been thinking about other ways to work around this exceptions issue. Our solutions included everything from rebate programs to lien release, and even working with all 400 homeowners who still have VBNs on them. None of these are perfect solutions.

So, we have pushed back the enactment date of the legislation to July 1, 2027 to work with our General Assembly sponsors to add language to allow jurisdictions to create exceptions by ordinance, and that’s why we needed the amendment.

Thank you for your consideration, and I humbly request your favorable report with sponsor amendments.

I can be reached on 410-396-4814 or via email at [odette.ramos@baltimorecity.gov](mailto:odette.ramos@baltimorecity.gov) should you have any further questions.

Respectfully Submitted,



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