

**CITY OF BALTIMORE
COUNCIL BILL 08-0097
(First Reader)**

Introduced by: Councilmembers Kraft, Henry, Cole, Holton, Clarke, Conaway, Reisinger,
Welch, President Rawlings-Blake, Councilmembers Middleton, Young

Introduced and read first time: April 7, 2008

Assigned to: Taxation, Finance and Economic Development Committee

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

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Sale of Residential Property – Disclosure of Property Tax**

3 FOR the purpose of requiring certain materials used in connection with the sale of certain
4 residential property to disclose the estimated amount of property taxes and assessments a
5 buyer would be obligated to pay; defining certain terms; imposing certain penalties;
6 correcting, clarifying, and conforming related language; raising the penalty for failure to
7 disclose a certain zoning limitation; providing for a special effective date; and generally
8 relating to the sale of residential property.

9 BY renaming

10 Article 2 - Consumer Protections

11 Subtitle 14. Real Estate Practices – Single-Family Dwellings
12 to be

13 Subtitle 14. Real Estate Practices – Residential Property
14 Baltimore City Code
15 (Edition 2000)

16 BY renumbering, repealing, and reordaining, with amendments

17 Article 2 - Consumer Protections

18 Section(s) 14-1 and 14-2
19 to be

20 Section(s) 14-3
21 Baltimore City Code
22 (Edition 2000)

23 BY adding

24 Article 2 - Consumer Protections

25 Section(s) 14-1 and 14-5
26 Baltimore City Code
27 (Edition 2000)

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

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

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Baltimore City Code

Article 2. Consumer Protections

Subtitle 14. Real Estate Practices – [Single-Family Dwellings]
RESIDENTIAL PROPERTIES

§ 14-1. DEFINITIONS.

(A) *IN GENERAL.*

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

(B) *INCLUDES; INCLUDING.*

“INCLUDES” OR “INCLUDING” MEANS BY WAY OF ILLUSTRATION AND NOT BY WAY OF LIMITATION.

(C) *MUST OR SHALL.*

“MUST” AND “SHALL” ARE EACH MANDATORY TERMS USED TO EXPRESS A REQUIREMENT OR TO IMPOSE A DUTY.

(D) *PERSON.*

(1) *IN GENERAL.*

“PERSON” MEANS:

(1) AN INDIVIDUAL;

(2) A PARTNERSHIP, FIRM, ASSOCIATION, CORPORATION, OR OTHER ENTITY OF ANY KIND; OR

(2) A RECEIVER, TRUSTEE, GUARDIAN, PERSONAL REPRESENTATIVE, FIDUCIARY, OR REPRESENTATIVE OF ANY KIND.

(2) *EXCLUSIONS.*

“PERSON” DOES NOT INCLUDE, UNLESS OTHERWISE EXPRESSLY PROVIDED, A GOVERNMENTAL ENTITY OR AN INSTRUMENTALITY OR UNIT OF A GOVERNMENTAL ENTITY.

§ 14-2. *{RESERVED}*

§ 14-3. [§ 14-1.] **Disclosure of zoning limitation.**

(A) *IN GENERAL.*

No person[, firm, or corporation] may advertise, through any medium, the sale or lease of any property that, under the Zoning Code of Baltimore City, is restricted in its use and

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1 occupancy to 1 family, without [clearly] including in the advertisement a CLEAR
2 statement to that effect.

3 (B) *PENALTIES*. [§ 14-2. Penalties.]

4 Any person[, firm, or corporation] who violates any provision of this [subtitle] SECTION is
5 guilty of a misdemeanor and, on conviction, is subject to a fine of not more than [\$50]
6 \$500 for each offense.

7 § 14-4. {RESERVED}

8 § 14-5. DISCLOSURE OF ESTIMATED PROPERTY TAX.

9 (A) “FULL-YEAR PROPERTY TAX” DEFINED.

10 IN THIS SECTION, “FULL-YEAR PROPERTY TAX” INCLUDES:

- 11 (1) ALL STATE PROPERTY TAXES;
- 12 (2) ALL CITY PROPERTY TAXES, INCLUDING ANY APPLICABLE SPECIAL TAX DISTRICT
13 OR COMMUNITY BENEFITS DISTRICT SUPPLEMENTAL TAX OR ASSESSMENT; AND
- 14 (3) ANY NON-TAX FEE OR CHARGE INCLUDED ON THE CONSOLIDATED TAX BILL.

15 (B) *DISCLOSURE REQUIRED*.

16 ANY WRITTEN OR ELECTRONICALLY TRANSMITTED MATERIAL THAT A PERSON PRODUCES
17 OR DISTRIBUTES IN CONNECTION WITH THE SALE OF A SPECIFIC RESIDENTIAL PROPERTY
18 LOCATED IN THE CITY MUST DISCLOSE THE ESTIMATED FULL-YEAR PROPERTY TAX THAT,
19 BASED ON ALL APPLICABLE RATES IN FORCE WHEN THE MATERIAL IS DISSEMINATED, A
20 BUYER WOULD BE OBLIGATED TO PAY IN THE NEXT FULL TAX YEAR AFTER THE PROPERTY
21 IS TRANSFERRED.

22 (C) *EQUAL PROMINENCE*.

23 IF ANY MATERIAL SUBJECT TO THIS SECTION MENTIONS BOTH THE PROPERTY TAX THAT
24 THE CURRENT OWNER IS OBLIGATED TO PAY AND THE PROPERTY TAX THAT A BUYER
25 WOULD BE OBLIGATED TO PAY AFTER TRANSFER, THE MATERIAL MUST:

- 26 (1) FEATURE BOTH AMOUNTS WITH EQUAL PROMINENCE; AND
- 27 (2) PRESENT THE PROPERTY TAX THAT THE BUYER WOULD BE OBLIGATED TO PAY
28 EITHER IMMEDIATELY BEFORE OR IMMEDIATELY AFTER THE PROPERTY TAX THAT
29 THE CURRENT OWNER IS OBLIGATED TO PAY.

30 (D) *UPDATING*.

31 THE ESTIMATE REQUIRED BY THIS SECTION MUST BE UPDATED:

- 32 (1) EACH JULY 1, TO REFLECT CHANGES IN APPLICABLE RATES; AND

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1 (2) BY JANUARY 31, IF THE CURRENT FISCAL YEAR IS THE 3RD YEAR OF THE
2 PROPERTY'S 3-YEAR ASSESSMENT CYCLE, TO REFLECT THE REVISED ASSESSED
3 VALUE OF THE PROPERTY.

4 (E) *ASSISTANCE.*

5 (1) ON REQUEST OF A SELLER, THE DEPARTMENT OF FINANCE MUST ASSIST THE SELLER IN
6 ESTIMATING THE FULL-YEAR PROPERTY TAX REQUIRED TO BE DISCLOSED.

7 (2) A SELLER OR A SELLER'S AGENT IS NOT LIABLE FOR PROVIDING AN INCORRECT
8 ESTIMATE IF, IN MAKING THAT ESTIMATE, THE SELLER RELIED IN GOOD FAITH ON A
9 METHOD APPROVED OR RECOMMENDED BY THE DEPARTMENT OF FINANCE.

10 (F) *PENALTIES.*

11 ANY PERSON WHO VIOLATES ANY PROVISION OF THIS SECTION IS GUILTY OF A
12 MISDEMEANOR AND, ON CONVICTION, IS SUBJECT TO A FINE OF NOT MORE THAN \$1,000 OR
13 TO IMPRISONMENT FOR NOT MORE THAN 6 MONTHS OR TO BOTH FINE AND IMPRISONMENT
14 FOR EACH OFFENSE.

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

18 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on September
19 1, 2008.