Introductory*

City of Baltimore
Council Bill

Introduced by: Councilmember Ramos

A Bill Entitled

An Ordinance concerning
Real Property Tax - Installment Plans
For the purpose of authorizing that the real property taxes owed on certain properties may be paid through a monthly installment plan; establishing the maximum term for an installment payment plan; authorizing that certain payments may be subject to a service charge; authorizing that certain late payments shall be referred to the Tax Sale Ombudsman; requiring the Director of Finance to adopt regulations to implement this subtitle; defining certain terms; providing for a special effective date; and generally relating to installment payments of real property taxes in Baltimore City.

By authority of
Tax-Property Article
Section 10-208
Maryland Code

By adding
Article 28 - Taxes
Section(s) 7A-1 through 7A-5, to be under the new subtitle,
"Subtitle 7A. Installment Payments"
Baltimore City Code
(Edition 2000)

Section 1. Be it ordained by the Mayor and City Council of Baltimore, That the Laws of Baltimore City read as follows:

Baltimore City Code

Article 28. Taxes

Subtitle 7A. Installment Payments

§ 7A-1. Definitions.

(a) *In general*.

In this subtitle, the following terms have the meanings indicated.

(b) *Director*.

"Director" means the Baltimore City Director of Finance or the Director's designee.

(c) *Property.*

"Property" means any unit of real property that is subject to the real property tax of Baltimore City.

§ 7A-2. Election of installment payments.

(a) *In general.*

The real property taxes due on any eligible property may be paid in a monthly installment payment schedule as authorized in State Tax-Property Article § 10-208.

(b) *Eligibility*.

(1) *In general*.

To be eligible for the election of installment payments under this section, a property shall be:

(i) subject to paragraph (2) of this subsection, owner-occupied; and

(ii) unencumbered.

(2) *Proof of ownership*.

(i) The Director shall verify ownership of the property through the Maryland State Department of Assessments and Taxation.

(ii) If the resident's name is not on the deed, the Director shall require sufficient proof that the deed is being transferred to the resident or being amended to reflect the resident's ownership of the property.

(c) *Term*.

The term of any installment plan under this subtitle may not exceed 12 months.

(d) *Property tax bills*.

Any bill for real property taxes owed sent to a property owner shall:

(1) clearly notify the property owner that the taxes owed may be paid through an installment payment plan if the property is otherwise eligible; and

(2) allow the property owner to elect an installment payment schedule.

§ 7A-3. Service charge.

(a) *Charge imposed.*

(1) If a property owner elects to pay the real property taxes due on a property through an installment plan, the Director shall impose a service charge as specified in this section.

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(2) The Director may not impose more than 1 service charge under this section per property.

(b) *Charge as lien.*

The service charge and all interest and penalties due on the principal amount shall be a lien on the property of any person liable for the charge, interest, and penalties, and the lien shall be recorded and collected in the same manner as taxes are collected.

(c) *Amount of charge.*

The Mayor and City Council shall annually set the service charge, but in no event shall the charge exceed $10.

§ 7A-4. Late payments.

In the event that an installment has not been paid by the respective date set by the Director for its payment, the Director shall promptly refer the property owner to the City Tax Ombudsman established by § 8-6 {"City Tax Ombudsman"} of this article for further payment arrangements.

§ 7A-5. Rules and regulations.

Subject to Title 4 {"Administrative Procedure Act - Regulations"} of the General Provisions Article, the Director may adopt rules and regulations to:

(1) carry out the provisions of this subtitle; and

(2) conduct investigations to assure compliance with this subtitle.

Section 2. And be it further ordained, That the catchlines contained in this Ordinance are not law and may not be considered to have been enacted as a part of this or any prior Ordinance.

Section 3. And be it further ordained, That this Ordinance takes effect on January 1, 2022.

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