



## House Bill 556

### *Estates and Trusts - Administration of Estates - Waiver of Fees*

MACo Position: **SUPPORT**

To: Health & Government Operations Committee

Date: February 14, 2018

From: Barbara Zektick

The Maryland Association of Counties (MACo) **SUPPORTS** HB 556. This bill helps remove an obstacle to having accurate land records, and could reduce errant billing leading to extraordinary tax collection complications. This is accomplished by authorizing Registers of Wills to waive probate fees in certain circumstances where an heir may not be able to afford to settle an estate and effectuate the transfer of title to property.

Over the interim, counties and MACo participated in the State's Tax Sale Task Force. Last fall, attorneys for the Maryland Volunteer Lawyers Service testified before the Task Force that it was a "common issue" for the family members of decedents to neglect to probate estates and transfer title to their homes into their own names. One reason for this, they indicated, was that the fees addressed in this bill are simply too high for the heir to pay – particularly if the estate only comprises equity in the property, and the heir does not have cash on hand to pay the fee.

Since the heirs do not take title to the property but continue to live there, they cannot avail themselves of various forms of assistance, including the Homeowner's Tax Credit and water bill discounts. Furthermore, they may not actually receive bills for property taxes or utilities serving the property and sent by counties to the owner of record - resulting in delinquencies on county accounts and ultimately, properties showing up on tax sale rolls.

Counties support this bill as a "good government," wise approach to prevent properties from unnecessarily going to tax sale. Tax sale serves as an effective means of collection and one of last resort. However, it benefits everyone to make sure that the record owner of the property is correct, so that counties can provide notice of moneys owed and assistance to their residents effectively.

Because it helps put counties in contact with the correct resident of a property, and facilitates notice of moneys owed and assistance available to those who need it, MACo urges a **FAVORABLE** report on HB 556.