



## **Senate Bill 952**

### *Tax Sales – Homeowner Protections*

MACo Position: **SUPPORT**

To: Budget & Taxation Committee

Date: March 8, 2018

From: Barbara Zektick

The Maryland Association of Counties (MACo) **SUPPORTS** SB 952. This bill generally gives counties the authority to withhold properties from tax sale if the total taxes and fees due on the property equal less than \$750. Under current law, counties (except Baltimore City) must send all properties to tax sale if more than \$250 is owed. Additionally, the bill requires counties to send information on free homeownership counseling services to homeowners along with their final overdue bill before their property is subject to tax sale.

Over the interim, MACo participated in the Task Force to Study Tax Sales in Maryland, along with representatives from Baltimore City, Dorchester and Prince George’s Counties; the Maryland Municipal League; the Maryland Department of Housing and Community Development; community development organizations; the Maryland Bar Association; and tax lien and tax sale participant associations.

Over the course of the Task Force’s meetings, several representatives put forth novel ideas both on how to tweak the tax sale process to encourage blight remediation, and how to facilitate educational and counseling opportunities to help homeowners avoid tax sale altogether. This bill is one of several pieces of legislation put forth to help homeowners avoid tax sale altogether.

Counties find tax sale as an effective means of last resort to collect overdue tax bills and other fees owed local governments. Of course, no county wants to send any property to tax sale if it can be avoided. All parties involved would strongly prefer that homeowners receive all counseling, education, information, and support which may be available to them, and more time when appropriate, to help them pay on time and avoid going through tax sale. To that end, MACo supports this bill as a wise approach to facilitating access to support services at the time when it is most helpful.

For the reasons stated above, MACo **SUPPORTS** SB 952 and urges the Committee to grant it a **FAVORABLE** report.