

# HOUSE BILL 1368

Q1

EMERGENCY BILL

1lr3074

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By: **Delegate Jalisi**

Introduced and read first time: March 1, 2021

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Overdue State Property Taxes – Waiver of Interest and Penalties**

3 FOR the purpose of requiring the State Department of Assessments and Taxation to waive  
4 any interest or penalties imposed on a certain person for the late payment of the  
5 State property tax on certain residential real property for a certain period of time;  
6 making this Act an emergency measure; providing for the application and  
7 termination of this Act; and generally relating to payment of State property taxes.

8 BY repealing and reenacting, without amendments,

9 Article – Tax – Property

10 Section 14–101, 14–601, 14–602, and 14–703

11 Annotated Code of Maryland

12 (2019 Replacement Volume and 2020 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
14 That the Laws of Maryland read as follows:

15 **Article – Tax – Property**

16 14–101.

17 In this title, “total tax liability on property” means State taxes, county taxes,  
18 municipal corporation taxes, special assessments, benefit charges, and any adjustment,  
19 including:

20 (1) allowable discounts;

21 (2) fees, charges, or costs related to the taxes; and

22 (3) any tax credit granted under this article.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 14-601.

2 (a) Except as provided in subsection (b) of this section, interest is calculated on  
3 and charged against the total tax liability on property.

4 (b) When payments of property tax have been made, interest is calculated on and  
5 charged against the total tax liability on the property, less the amount of the payments.

6 14-602.

7 The rate of interest for State property tax is 1% for each month or fraction of a month  
8 that State property tax is overdue.

9 14-703.

10 If a person fails to pay property tax when required by this article, the person shall  
11 pay a tax penalty imposed under § 14-702 of this subtitle on the total tax liability on  
12 property for each month or fraction of a month from the date the property tax is required  
13 to be paid under Title 10 of this article to the date the tax is paid.

14 SECTION 2. AND BE IT FURTHER ENACTED, That:

15 (a) Subject to subsections (b) and (c) of this section, the State Department of  
16 Assessments and Taxation shall waive any interest or, if applicable, any penalty imposed  
17 against a person under §§ 14-602 and 14-703 of the Tax – Property Article, respectively,  
18 for the late payment or nonpayment of the State property tax on residential real property  
19 for each month or fraction of the month that interest would be charged or a penalty would  
20 be imposed during the state of emergency declared by the Governor due to the COVID-19  
21 pandemic.

22 (b) To qualify for a waiver of interest and penalties for the late payment or  
23 nonpayment of State property tax on residential real property under this section:

24 (1) the person's mortgage loan on the residential real property must be in  
25 a forbearance or deferment status with the person's mortgage servicer or lender; and

26 (2) the residential real property must be the person's principal residence.

27 (c) The Department shall waive any interest or penalties under this section until  
28 30 days after the state of emergency declared by the Governor due to the COVID-19  
29 pandemic ends.

30 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be construed to  
31 apply only prospectively and may not be applied or interpreted to have any effect on or  
32 application to any interest charged to or penalties imposed against a person for the late  
33 payment or nonpayment of State property tax on residential real property before the  
34 effective date of this Act.

1           SECTION 4. AND BE IT FURTHER ENACTED, That this Act is an emergency  
2 measure, is necessary for the immediate preservation of the public health or safety, has  
3 been passed by a yea and nay vote supported by three-fifths of all the members elected to  
4 each of the two Houses of the General Assembly, and shall take effect from the date it is  
5 enacted. It shall remain effective through June 30, 2024, and, at the end of June 30, 2024,  
6 this Act, with no further action required by the General Assembly, shall be abrogated and  
7 of no further force and effect.