

Chapter 188

(Senate Bill 182)

AN ACT concerning

Tax Sales – Complaint to Foreclose Right of Redemption – Notice

FOR the purpose of prohibiting a holder of a certificate of tax sale from filing a complaint to foreclose the right of redemption until a certain amount of time after sending a certain notice to certain persons; requiring a certain notice to be sent in a certain manner; authorizing a holder of a certificate of tax sale to be reimbursed for certain expenses related to mailing a certain notice; and generally relating to the timing of required notices in tax sales.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 14–833(a–1)(1), ~~(3)(v)~~, and (6) and 14–843(a)(3)

Annotated Code of Maryland

(2007 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, without amendments,

Article – Tax – Property

Section 14–833(a–1)(4)

Annotated Code of Maryland

(2007 Replacement Volume and 2011 Supplement)

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

Article – Tax – Property

14–833.

(a–1) (1) The holder of a certificate of sale may not file a complaint to foreclose the right of redemption until at least 2 months after sending the first [of two notices] **NOTICE AND AT LEAST 30 DAYS AFTER SENDING THE SECOND NOTICE** required under this subsection to:

(i) the person who last appears as owner of the property on the collector's tax roll; and

(ii) 1. the current mortgagee of the property, assignee of a mortgagee of record, or servicer of the current mortgage; or

2. the current holder of a beneficial interest in a deed of trust recorded against the property.

(3) The notices required under this subsection shall include at least the following:

(v) a statement that if the property is redeemed before an action to foreclose the right of redemption is filed, the amount that shall be paid to redeem the property is:

1. the total lien amount on the property at the time of sale, with interest;

2. any taxes, interest, and penalties paid by the holder of the certificate of sale;

3. any taxes, interest, and penalties accruing after the date of the tax sale; and

4. the following expenses incurred by the holder of the certificate of sale:

A. costs for recording the certificate of sale;

B. a title search fee, not to exceed \$250; [and]

C. THE POSTAGE AND CERTIFIED MAILING COSTS ACTUALLY INCURRED FOR THE NOTICES; AND

[C.] D. reasonable attorney's fees, not to exceed \$500;

(4) (i) The first of the two notices required under this subsection may not be sent until 4 months after the date of sale.

(ii) The second of the two notices required under this section shall be sent:

1. to the persons listed in paragraph (1) of this subsection; and

2. no earlier than 1 week after the first notice required under this subsection is sent.

(6) (i) The first of the two notices required under this subsection shall be sent:

1. by first-class **CERTIFIED** mail, **POSTAGE PREPAID, RETURN RECEIPT REQUESTED, BEARING A POSTMARK FROM THE UNITED STATES POSTAL SERVICE**; and

2. in an envelope prominently marked on the outside with the following phrase "Notice of Delinquent Property Tax".

(ii) The second of the two notices required under this subsection shall be sent:

1. by first-class certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service; and

2. in an envelope prominently marked on the outside with the following phrase "Notice of Delinquent Property Tax".

14-843.

(a) (3) If an action to foreclose the right of redemption has not been filed, and the property is redeemed more than 4 months after the date of the tax sale, the holder of a certificate of sale may be reimbursed for the following expenses actually incurred:

(i) costs for recording the certificate of sale;

(ii) a title search fee, not to exceed \$250; [and]

(III) THE POSTAGE AND CERTIFIED MAILING COSTS FOR THE NOTICES REQUIRED UNDER § 14-833(A-1) OF THIS TITLE; AND

[(iii)] (IV) reasonable attorney's fees, not to exceed \$500.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2012.

Approved by the Governor, May 2, 2012.