

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



DANIEL K. PHILLIPS
Director

BOB YEAGER
Deputy Director

November 1, 2024

The Honorable Wes Moore
Governor
100 State Circle
Annapolis, MD 21401

The Honorable Bill Ferguson
President of the Senate
State House, H-107
Annapolis, MD 21401

The Honorable Adrienne A. Jones
Speaker of the House
State House, H-101
Annapolis, MD 21401

Re: Tax – Property Article §14-880(b) – Annual State Tax Sale Ombudsman Report (MSAR #13843)

Dear Governor Moore, President Ferguson, and Speaker Jones:

Pursuant to Tax – Property Article §14-880(b), Annual State Tax Sale Ombudsman Report, the Maryland State Department of Assessments and Taxation respectfully submits the attached report detailing the status of the Office of the State Tax Sale Ombudsman and an analysis of the Annual Tax Sale Survey as completed by Maryland Counties and Baltimore City. As always, please feel free to follow up with me or other members of my team should you require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "DK Phillips", written over a horizontal line.

Daniel K. Phillips
Director

CC: Robert Yeager, Deputy Director
Marie Smith, Tax Sale Ombudsman
Joshua Greenberg, Legislative Liaison
Sarah Albert, Department of Legislative Services (MSAR #13843)

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I. OFFICE OF THE STATE TAX SALE OMBUDSMAN

The mission of the State Tax Sale Ombudsman's Office (TSO) is to help homeowners navigate the tax sale process by providing the best tax sale information, assistance, and resources available.

Since launching the Ombudsman's Office in January 2020, its Maryland Homeowners' Tax Sale Help Center website dat.maryland.gov/taxsale has been a centralized source of information and updates on each county's tax sale process, the up to date county-by-county tax sale schedule, and over 150 federal, state, and local resources to help homeowners in every Maryland county pay their property taxes, and improve their financial situations.

Homeowners throughout the state can access personal, individualized assistance with their delinquent property taxes and related issues by calling the Ombudsman's Tax Sale Helpline at (410) 767-4994, (833) 732-8411 toll free, or by emailing sdattaxsale@maryland.gov. In FY 2024, the Office helped over 14,267 Maryland homeowners pay their delinquent property taxes, connect with resources, and keep their homes; over 20,000 homeowners since its launch in 2020.

In 2023, the TSO launched the Homeowner Protection Program (HPP) following the enactment of HB 852 (2021). This program helps homeowners out of Tax Sale through short-term loans and individualized assistance. So far in 2024, the Homeowner Protection Program has removed 24 people from tax sale by providing loans and assistance, and has received nearly 300 applications. The TSO is currently working to enroll additional homeowners from the applicant list, and to encourage homeowners to apply to the program.

Also in 2023, the TSO formalized its proactive outreach program, obtaining tax sale and tax sale foreclosure lists and having Tax Sale Specialists proactively call homeowners to connect them with resources that can remove them from tax sale. To further TSO's outreach resources and foster HPP enrollment, the General Assembly enacted HB 236 (2023). Initially, the Department sought to contract with an outside vendor per statute, however an appropriate vendor was not found. Pursuing the statutory alternative, in 2024 the TSO is in the process of hiring in house call agents to research phone numbers for tax sale sold lists, and to reach out to homeowners to make them aware of available resources.

The TSO is also in the process of implementing new programs established by the Maryland General Assembly in the 2024 session. HB 16 creates an online portal for members of the public to make donations to the Homeowner Protection Fund, which funds the Homeowner Protection Program. And HB 54 creates a payment plan for Maryland homeowners to pay their property taxes. These programs will utilize third party vendors that are familiar with payment software, web page building, and lending

services. Additionally, staff will be required to monitor programming and implementation. So far, efforts to procure services through the Department of Information Technology have not resulted in appropriate vendors, and the Department is currently pursuing the RFP process to successfully implement the General Assembly's vision.

The Office uses its first hand experience helping homeowners to gain insight into the issues homeowners are facing, and it continually seeks new ways to address their specific needs. Building on its achievements, the Ombudsman's Office continues to accomplish its mission and continually works to improve the service the Office provides and explores how to best meet the needs of Maryland homeowners.

II. SUMMARY & ANALYSIS OF THE 2024 ANNUAL TAX SALE SURVEY

The following is a summary and analysis of information reported by the counties in response to the TSO's fifth Annual Tax Sale Survey, described in Tax Property Article §14-879. Every Maryland county has responded to the 2024 Annual Tax Sale Survey, providing valuable insight into tax sale processes, as well as detailed data on tax sales, redemptions, and foreclosures.

In 2020, the first year conducting this survey, nearly every county reported that providing tax sale data in the same calendar year that the tax sale occurred was a significant challenge. As a result, that year's survey was missing some important data. So the 2021 survey again covered the counties' 2020 tax sales, and the redemptions and foreclosures that occurred in FY 2020. This filled in the data gaps from the prior year's survey and set the Office on a better schedule to make future surveys more manageable for the counties to provide more complete data. In 2023, this schedule was formalized in statute.

This year, the 2024 survey covered counties' 2023 tax sales, and the redemptions and foreclosures that occurred in FY 2023.

COUNTY TAX SALE PROCESSES & POLICIES

1. Fee Types Collected through Tax Sale, FY 2023.

Each county collects a variety of charges through the tax sale process. All counties include property taxes, and 15 counties include water and sewer charges. However, many charges, such as environmental, nuisance liens, and local government charges, may also be collected through tax sale. Table 1 shows how many counties reported collecting each type of fee through tax sale.

Table 1. Fee Types Collected through Tax Sale - FY 2023

Fee Type	Number of Counties
Property Taxes	24
Water & Sewer	15
Municipal Charges	6
Code Violations and Bulk Trash	3
Waste Water, storm water, and sanitary solid waste fees	7
Advertisement fees	6
County Penalty Fee and citations	2
Environmental and Property clearing abatement charges	3
Auctioneer fees	4
Clean-up / Maintenance	2
Collection Fees, Abatements, Violation Fines and Liens	2
Abandoned Property Fee and Vegetation violations	1
Attorney Fee	2
Special Assessments	1
Nuisance Fees	1
Hotel / Motel Fee	1
PACE Loans	1
Recycling	1

Road and Creek Fees	1
Front Foot/Capital Facility Assessment Charges	2
Fire and Rescue Support Services	1
System Benefit Charges/Benefit assessments	1
Bay Restoration Fee	3
Special Benefits District surcharge bills	1
Registration	1
Alley Footway	1
Miscellaneous	1

2. Required Time Overdue for Tax Sale Eligibility, FY 2023.

The length of time the tax on a property is required to be overdue before the county includes the property on their tax sale eligibility list ranges from as soon as the current year tax bill is delinquent to three years past due. Table 2 shows the range by county.

Table 2. Required Time Overdue for Tax Sale Eligibility - FY 2023

Counties	Required Time Overdue
Anne Arundel County, Baltimore County, Montgomery County, Queen Anne's	4 months
Caroline County, Harford County, Prince George's County, Talbot County	3 months
Carroll County	6 months
Dorchester County, Kent County, Somerset County, Worcester County	2 years

Frederick County	5 ½ months
Cecil County	11 months
Charles County	8 months
Washington County	9 months
Calvert County, Garrett County	1 year
Howard County	30 days
Allegany County	3 years
St. Mary's County	14 months
Wicomico County	Same year, as soon as delinquent
Baltimore City	Varies based on bill type. Everything must be delinquent. Water must be 270 days delinquent.

3. Annual County Tax Sales.

All counties usually conduct a tax sale every year. Typically, all tax sales are held between March and October, and are completed prior to the next year's tax billing cycle that starts on July 1. Table 3 shows the month when each county usually holds its tax sale.

Table 3. Annual County Tax Sales - by Month

Month	Counties Holding Tax Sales
March	Allegany, St. Mary's
April	Calvert
May	Caroline, Charles, Frederick, Garrett, Howard, Kent, Prince George's, Queen Anne's, Talbot, Worcester, Garrett
June	Anne Arundel, Carroll, Cecil, Harford, Montgomery, Somerset, Washington, Wicomico
October	Baltimore County, Baltimore City

4. Municipal Corporation Tax Sales.

Eighteen of the 24 counties conduct tax sales on behalf of municipal corporations in their county. The 6 counties that do not are Baltimore City, Baltimore County, Garrett, Howard, Montgomery, and Worcester Counties.

5. Interest Charged on Overdue Property Taxes, FY 2023.

The monthly rate of interest counties charge on overdue property taxes ranges from 0.5% to 2%. Table 4 shows that 13 counties charge 1%, 9 counties charge between 1.5% and 2%, and two counties charge less than 1%.

6. Interest Charged to Redeem After Tax Sale, FY 2023.

The annual rate interest a property owner is required to pay to redeem the property after a tax sale ranges from 5% to 20%. This amount is paid to the lien purchaser, and counties report that one of the main factors they use to determine their interest rate is whether they can attract bidders to their tax sales. Table 4 shows that 13 of the counties charge between 12% and 20%, and 11 counties charge between 6% and 10%.

Table 4. Overdue Property Tax Redemption Interest Charged by County - FY 2023

Counties	Overdue Property Taxes Monthly Rate	Redemption Interest Annual Rate
Allegany	1.5% county taxes 1% State taxes	18%
Anne Arundel	0.5%	18%
Baltimore City	2% City taxes 1% State taxes	18% non-owner occupied 12% owner occupied
Baltimore County	1%	12%
Calvert	1%	10%
Caroline	1%	10%
Carroll	0.66%	14%
Cecil	1%	12%
Charles	1%	12%
Dorchester	1%	10%
Frederick	1%	8%
Garrett	1.5%	10%
Harford	1.5%	12%
Howard	1.5%	18%
Kent	1.5%	10%
Montgomery	1.66%	20%
Prince George's	1.66%	20%
Queen Anne's	1%	12%
St. Mary's	1%	6%

Somerset	1%	12%
Talbot	1.5%	6%
Washington	1%	6%
Wicomico	1%	8%
Worcester	1%	10%

7. Redemption Period, FY 2023.

The redemption period is determined by statute. This is the period after a tax sale when the homeowner may pay off the lien on (“redeem”) their property. The homeowner has the right to redeem their property at any time after a tax sale up until a circuit court judge signs an order to foreclose their right of redemption, in favor of the tax lien purchaser.

Three months after a foreclosure order has been signed, if the lien purchaser has not transferred title to their name by paying their bid amount to the county and recording a deed, the homeowner may file a motion to strike foreclosure and regain their right to redeem and clear their title.

In the 23 counties, the earliest the lien purchaser may file a motion to foreclose the owner’s right to redeem is six months after the date of the tax sale. In Baltimore City, the earliest a lien purchaser may file this motion for an owner-occupied residential property is nine months after the date of the tax sale.

Two years after the date of the tax sale, an investor who has not filed this motion loses their right to foreclose, and they forfeit any funds paid to the local jurisdiction. When this happens, the homeowner may still redeem the property by paying off the county’s remaining lien amount. If the lien continues to remain unpaid, the county may sell the lien again in their next tax sale.

8. Minimum Threshold Amount of Unpaid Taxes for the 2023 Tax Sale.

The minimum threshold amount of unpaid taxes on a residential property that will cause the county to put the property in tax sale ranges from \$0 (any delinquent amount) to \$750 across the State, and may be subject to change each year by the county. Where partial payments are permitted, if the homeowner makes a partial payment that brings the balance below the threshold amount, the county will remove the property from their tax sale list

for that year. The homeowner still owes the remaining unpaid balance, but they'll have more time to pay and won't incur the added interest and fees associated with redeeming the property after a lien has been sold at tax sale.

Table 5 shows that four counties will remove a property from tax sale with an unpaid bill balance of up to \$750, and four counties may include a property in their tax sale if there is any amount unpaid.

Table 5. Minimum Threshold Amount Unpaid for the 2023 Tax Sale

Counties	Minimum Threshold Amount Unpaid
Baltimore City	\$750 owner occupied; \$250 non-owner occupied
Caroline	\$750 owner occupied, over \$250 non-owner occupied or any amount 1 year delinquent
Carroll	\$750 or any amount 5 years delinquent
Cecil	\$750
Baltimore County	\$500 owner occupied; \$250 non-owner occupied
Prince George's	\$500
Anne Arundel, Calvert, Charles, Frederick, Garrett, Harford, Howard, Kent, Montgomery, Wicomico	\$250
Somerset	\$250 or 5 years delinquent
Worcester	\$200
Talbot	\$50
Queen Anne's	\$25
Allegany, Dorchester, St. Mary's, Washington	\$0 (any delinquent amount)

9. Establishment of a County Tax Sale Ombudsman.

Of the 24 jurisdictions, Baltimore City, Dorchester, Queen Anne’s, and Wicomico report that they have established a local Tax Sale Ombudsman to fulfill all the responsibilities in accordance with Tax Property Article §2-112(d). However, most counties report that they have designated specific county officers to assist homeowners with tax sale-related matters.

10. Properties Withheld from Tax Sale & Eligibility Criteria, FY 2023.

Several counties reported withholding properties from their 2023 tax sales for permitted circumstances under state law and following criteria permitted by the county. However, following Tax Property Article §14-811(e), which allows a county to withhold from sale a dwelling owned by a low-income homeowner, at least 65 years old, or disabled, if the homeowner meets eligibility criteria established by the county or municipal corporation, no counties described a local ordinance they enacted following this provision that led to them withholding properties.

BID BALANCE FUNDS

These funds are the lien purchaser’s bid amount paid to the county when the purchaser takes title to the home, minus the amount owed for taxes, interest, penalties, and sale costs. When the homeowner loses their property, they are entitled to claim from the county these funds paid by the lien purchaser at title transfer that are in excess of what is owed.

1. Total Funds Held and Distributed, FY 2023.

According to the survey responses, the amount of bid balance money held by each county in a special fund pending distribution to property owners in FY 2023 ranges from zero in Garrett and Talbot Counties to just over \$21 million in Prince George’s County. Table 6 shows that Anne Arundel, Montgomery, and Baltimore Counties each report between \$1 and \$3 million in their special funds, and eight counties report less than \$100,000 in theirs. Nine counties reported amounts between \$100,000 and \$1 million in their special funds. Baltimore City reported over \$7 million.

2. Funds Distributed to Property Owners, FY 2023.

The bid balance funds distributed to property owners between July 1, 2022, and June 30, 2023 were over \$2 million by Prince George’s County, and over \$1 million each by

Baltimore City and Baltimore County. Anne Arundel and Montgomery distributed over \$700,000, and seventeen Counties reported distributing under \$500,000, including Garret and Talbot Counties reporting \$0. Table 6 shows this range.

Table 6. Bid Balance Funds Held & Distributed to Property Owners - FY 2023

Counties	Funds Held	Funds Distributed	Funds transferred to County
Allegany	\$646,143	\$54,014	0
Anne Arundel	\$2,709,452	\$817,021	0
Baltimore City	\$7,409,805	\$1,667,987	0
Baltimore County	\$1,208,899	\$1,197,079	0
Calvert	*	*	*
Caroline	\$94,123	\$116,760	0
Carroll	59,694	0	0
Cecil	\$581,443	\$77,917	0
Charles	\$522,621	\$317,983	0
Dorchester	\$309,907	\$0	\$0
Frederick	\$103,400	\$429,333	\$175,279
Garrett	0	\$155,388	0
Harford	\$33,457	0	0
Howard	\$929,970	\$234,431	0
Kent	\$135,111	0	0
Montgomery	\$2,762,012	\$786,599	0
Prince George's	\$21,801,329	\$2,326,516	0
Queen Anne's	\$238,164	\$15,474	0

Somerset	\$426	\$134,431	\$15,428
St. Mary's	\$79,590	\$47,448	0
Talbot	0	0	0
Washington	*	*	*
Wicomico	\$348,054	\$161,983	0
Worcester	\$85,225	\$150,232	0

**County unable to provide information.*

3. Funds Transferred to the County, FY 2023.

Frederick County reported that in FY23 \$175,279 was transferred from an escrow account pending distribution to prior homeowners to their general fund, and St. Mary's county reported \$15,428.

2023 TAX SALES

The tax sale process begins when the county mails a Final Bill and Legal Notice to the property owner of record. The notice lists all the delinquent taxes and charges due for the timeframe specified. Twenty-two of the 24 counties provided data, reflecting 71,283 properties for which owners were mailed Final Bill and Legal Notice letters in FY23.

Table 7. Total # of Final Bill and Legal Notices mailed - FY 2023

Counties	Total # of Final Bill and Legal Notices mailed
Allegany	971
Anne Arundel	3,201
Baltimore City	26,075
Baltimore County	5,900

Calvert	*
Caroline	1,027
Carroll	1,122
Cecil	3,494
Charles	2,213
Dorchester	862
Frederick	2,097
Garrett	960
Harford	937
Howard	1,503
Kent	720
Montgomery	4,287
Prince George's	8,101
Queen Anne's	721
Somerset	2,791
St. Mary's	527
Talbot	811
Washington	*
Wicomico	2,364
Worcester	599

**County unable to provide information*

1. Property Liens Advertised in the First Notice.

According to 2024 survey responses, the total number of property liens advertised in the first notice for all counties that held a tax sale in 2023 was 34,072. The largest number advertised was 17,695 in Baltimore City. The next largest was 4,212 in Prince George’s County, then 1,828 in Montgomery County, then 1,759 in Anne Arundel County. The smallest was 123 in Garrett County. The average lien amount for all properties advertised in the first notice in 2023 was \$4,464. Table 7a shows this range.

Table 7a. All Liens Advertised in the First Notice - 2023 Tax Sales

County	Total parcels advertised	Total lien amount	Average lien amount
Allegany	570	\$1,819,658	\$3,192
Anne Arundel	1,759	\$5,665,523	\$3,221
Baltimore City	17,695	\$276,683,876	\$15,636
Baltimore County	370	\$2,641,703	\$7,140
Calvert	403	\$1,720,712	\$4,280
Caroline	284	\$768,626	\$2,706
Carroll	317	\$1,165,649	\$3,667
Cecil	805	\$2,822,996	\$3,507
Charles	528	\$2,018,481	\$3,823
Dorchester	197	\$503,332	\$2,720
Frederick	851	\$2,532,572	\$2,976
Garrett	123	\$370,263	\$3,010
Harford	937	\$2,341,818	\$2,499
Howard	643	\$5,321,263	\$8,276
Kent	280	\$830,536	\$2,966
Montgomery	1,828	\$9,212,236	\$5,040
Prince George’s	4,212	\$25,238,597	\$5,992
Queen Anne’s	312	\$702,439	\$2,251

Somerset	283	\$1,022,295	\$3,612
St. Mary's	248	\$565,477	\$2,280
Talbot	182	\$533,844	\$2,933
Washington	570	*	*
Wicomico	526	\$3,526,528	\$6,704
Worcester	149	\$628,613	\$4,247

* County unable to provide information

The total number of owner occupied parcels advertised for the 2023 tax sales was 12,078. Of these, the average lien amount was \$3,667. Table 7b shows each county's number of parcels and lien amounts.

Table 7b. Owner Occupied Liens Advertised - 2023 Tax Sales

County	Owner occupied Parcels	Total lien amount	Average lien amount
Allegany	165	\$726,929	\$4,406
Anne Arundel	985	\$2,572,832	\$2,612
Baltimore City	4,758	\$25,147,630	\$5,285
Baltimore County	0	0	0
Calvert	23	\$243,524	\$10,588
Caroline	114	\$250,870	\$2,201
Carroll	176	\$645,456	\$3,667
Cecil	363	\$856,299	\$2,359
Charles	207	\$740,436	\$3,577
Dorchester	84	\$247,162	\$2,942
Frederick	519	\$1,281,166	\$2,469
Garrett	39	\$113,896	\$2,920
Harford	488	\$1,039,995	\$2,131

Howard	334	\$1,661,933	\$4,976
Kent	113	\$210,553	\$1,863
Montgomery	888	\$3,543,573	\$3,991
Prince George's	1,938	\$7,764,509	\$4,006
Queen Anne's	140	\$377,849	\$2,699
Somerset	117	\$678,102	\$5,796
St. Mary's	74	\$226,416	\$3,060
Talbot	102	\$167,871	\$1,646
Washington	234	*	*
Wicomico	175	\$453,572	\$2,592
Worcester	42	\$205,636	\$4,896

* County unable to provide information

2. Property Liens Offered for Sale.

In 2023, the total number of property liens offered for sale for all counties that held a tax sale was 14,096. The largest number of liens offered for sale by a county was 5,724 in Baltimore City. Table 8a shows the total number of liens offered, the total lien amount, and the average lien amount for each county that held a tax sale.

Table 8a. All Liens Offered for Sale & Lien Amounts - 2023 Tax Sales

County	Offered for sale	Total Lien Amount	Average Lien Amount
Allegany	285	\$837,351	\$2,938
Anne Arundel	744	\$2,281,031	\$3,066
Baltimore City	5,724	\$80,793,968	\$14,115
Baltimore County	213	\$1,249,103	\$5,864
Calvert	240	\$887,329	\$3,697

Caroline	136	\$446,043	\$3,280
Carroll	50	\$187,445	\$3,749
Cecil	342	\$803,060	\$2,348
Charles	273	\$1,238,432	\$4,536
Dorchester	68	\$176,768	\$2,638
Frederick	477	\$1,284,547	\$2,693
Garrett	57	\$134,272	\$2,356
Harford	267	\$720,871	\$2,700
Howard	258	\$3,050,716	\$11,824
Kent	173	\$1,081,749	\$6,253
Montgomery	1,220	\$5,905,747	\$4,841
Prince George's	2,471	\$17,479,585	\$7,074
Queen Anne's	131	\$287,137	\$2,192
St. Mary's	163	\$434,834	\$2,668
Somerset	162	\$367,545	\$2,269
Talbot	85	\$256,700	\$3,020
Washington	221	\$1,542,339	\$6,969
Wicomico	315	\$2,888,479	\$9,170
Worcester	21	\$79,011	\$3,762

The total number of owner occupied parcels offered for sale in the 2023 tax sales was 3,428. Of these, the average lien amount was \$4,446. Table 8b shows each county's number of parcels, and total and average lien amounts.

Table 8b. Owner Occupied Liens Offered for Sale - 2023 Tax Sales

County	Parcels Owner Occupied	Total Lien	Average Lien Amount
Allegany	59	\$279,576	\$4,739
Anne Arundel	358	\$940,276	\$2626
Baltimore City	231	\$2,819,856	\$12,207
Baltimore County	0	0	0
Calvert	24	\$248,403	\$19,872
Caroline	38	\$96,346	\$2,535
Carroll	24	\$95,438	\$3,977
Cecil	92	\$226,928	\$2,467
Charles	92	\$357,532	\$3,886
Dorchester	32	\$77,725	\$2,429
Frederick	281	\$621,024	\$2,210
Garrett	13	\$31,818	\$2,448
Harford	123	\$223,257	\$1,815
Howard	126	\$549,701	\$4,363
Kent	55	\$148,247	\$2,695
Montgomery	580	\$2,303,644	\$3,972
Prince George's	1,005	\$4,251,408	4,230
Queen Anne's	67	\$195,848	\$2,838
Somerset	44	\$141,955	\$3,226
St. Mary's	47	\$202,156	\$4,301
Talbot	44	\$88,181	\$2,004

County	Parcels Owner Occupied	Total Lien	Average Lien Amount
Allegany	59	\$279,576	\$4,739
Anne Arundel	358	\$940,276	\$2626
Baltimore City	231	\$2,819,856	\$12,207
Washington	*	*	*
Wicomico	87	\$306,045	\$3,518
Worcester	6	\$32,686	\$5,448

* County unable to provide information

3. Property Liens for Water & Sewer Service.

The following counties reported no liens for water or sewer service only were offered in their 2023 tax sales: Baltimore County, Calvert, Cecil, Charles, Howard, Prince George's, Queen Anne's, and Wicomico Counties. Howard County reports they normally include properties with water service liens but they pulled those properties from their 2023 sale. Table 9a shows the remaining counties' total number of liens offered, and total and average lien amounts.

Table 9a. All Liens Offered for Sale for Water & Sewer Only - 2023 Tax Sales

County	Total parcels	Total lien amount	Average lien amount
Allegany	21	\$57,436	\$2,735
Anne Arundel	152	\$107,166	\$705
Baltimore City	125	\$1,342,666	\$10,741
Baltimore County	0	0	0
Calvert	0	0	0
Caroline	4	\$8,582	\$2,146
Carroll	1	\$11,177	\$11,177

Cecil	0	0	0
Charles	0	0	0
Dorchester	4	\$4,209	\$1,052
Frederick	125	\$58,549	\$468
Garrett	6	\$7,697	\$1,283
Harford	62	\$41,664	\$672
Howard	0	0	0
Kent	79	\$481,449	\$6,094
Montgomery	90	\$552,970	\$6,144
Prince George's	0	0	0
Queen Anne's	0	0	0
St. Mary's	5	\$9,621	\$1,924
Somerset	23	\$149,046	\$6,480
Talbot	25	\$15,325	\$613
Washington	0	0	0
Wicomico	0	0	0
Worcester	8	\$13,993	\$1,749

The following counties reported no owner occupied liens for water or sewer service only were sold in their 2023 tax sales: Baltimore City, Baltimore County, Calvert, Cecil, Charles, Howard, Montgomery, Prince George's, Queen Anne's, and Wicomico Counties. Table 9b shows the remaining county's number of parcels offered, and total and average lien amounts.

Table 9b. Owner Occupied Offered for Water & Sewer Only - 2023 Tax Sales

County	Owner occupied parcels	Total lien amount	Average lien amount
Allegany	7	\$23,502	\$3,357
Anne Arundel	122	\$83,926	\$688
Baltimore City	0	0	0
Baltimore County	0	0	0
Calvert	0	0	0
Caroline	2	\$4,877	\$2,439
Carroll	1	\$11,177	\$11,177
Cecil	0	0	0
Charles	0	0	0
Dorchester	2	\$2,522	\$1,276
Frederick	105	\$49,155	\$468
Garrett	3	\$3,577	\$1,192
Harford	34	\$22,130	\$651
Howard	0	0	0
Kent	43	\$119,596	\$2,781
Montgomery	0	0	0
Prince George's	0	0	0
Queen Anne's	0	0	0
St. Mary's	3	\$3,677	\$1,226
Somerset	17	\$125,413	\$13,935
Talbot	17	\$9,725	\$572
Washington	0	0	0
Wicomico	0	0	0
Worcester	3	\$5,858	\$1,953

4. Property Liens Sold.

It's important to note here that when the liens are sold it does not mean the home is sold. At the annual tax sale, each county sells liens against properties whose owners owe outstanding amounts to the county. The counties do not sell the physical properties. After the tax sale, the owner of the property itself does not change. Table 10a shows each county's total number of liens sold, and their total and average lien amounts.

Table 10a. All Liens Sold - 2023 Tax Sales

County	Total parcels	Total lien amount	Average lien amount
Allegany	167	\$446,710	\$2,2675
Anne Arundel	724	\$2,116,043	\$2,923
Baltimore City	4,737	\$18,025,039	\$3,805
Baltimore County	203	\$1,123,410	\$5,534
Calvert	581	\$1,774,658	\$3,054
Caroline	116	\$297,897	\$2,568
Carroll	50	\$187,445	\$3,749
Cecil	342	\$803,060	\$2,348
Charles	271	\$1,106,384	\$4,083
Dorchester	68	\$176,768	\$2,638
Frederick	470	\$1,211,848	\$2,578
Garrett	56	\$130,517	\$2,331
Harford	254	\$525,625	\$2,069
Howard	230	\$1,980,486	\$8,611
Kent	173	\$169,792	\$981
Montgomery	1,098	\$5,212,204	\$4,747
Prince George's	2,286	\$12,508,104	\$5,472

Queen Anne's	130	\$282,016	\$2,169
Somerset	148	\$331,425	\$2,239
St. Mary's	163	\$434,834	\$2,668
Talbot	82	\$186,706	\$2,277
Washington	190	\$662,491	\$3,487
Wicomico	269	\$585,776	\$30,741
Worcester	21	\$79,011	\$3,762

The total number of owner occupied liens sold in the 2023 tax sales was 3,395. The average lien amount was \$5,890. Table 10b shows each county's total number of owner occupied liens sold, and their total and average lien amounts.

Table 10b. Owner Occupied Liens Sold - 2023 Tax Sales

County	Owner occupied parcels	Total lien amount	Average lien amount
Allegany	46	\$186,901	\$4,063
Anne Arundel	358	\$940,276	\$2,626
Baltimore City	195	\$1,198,452	\$6,146
Baltimore County	0	0	0
Calvert	5	\$25,340	\$8,661
Caroline	38	\$96,346	\$2,535
Carroll	24	\$95,438	\$3,977
Cecil	92	\$226,928	\$2,467
Charles	92	\$357,432	\$3,885
Dorchester	32	\$77,725	\$2,429
Frederick	280	\$617,551	\$2,206
Garrett	10	\$23,719	\$2,372

Harford	123	\$223,257	\$1,815
Howard	126	\$565,240	\$4,486
Kent	54	\$91,185	\$1,689
Montgomery	566	\$2,283,599	\$4,035
Prince George's	1,002	\$4,247,367	\$4,239
Queen Anne's	67	\$195,848	\$2,838
Somerset	42	\$119,256	\$2,839
St. Mary's	47	\$202,156	\$4,301
Talbot	44	\$88,181	\$2,004
Washington	64	\$208,013	\$3,250
Wicomico	84	\$173,695	\$56,120
Worcester	4	\$25,937	\$6,484

5. Liens with No Private Purchaser and Obtained by the County.

Table 11a shows each county's total number of liens obtained by the county, and their total and average lien amounts.

Table 11a. All Liens Obtained by the County - 2023 Tax Sales

County	Total parcels	Total lien amount	Average lien amount
Allegany	98	\$308,881	\$3,152
Anne Arundel	20	\$164,988	\$8,249
Baltimore City	987	\$62,778,277	\$63,605
Baltimore County	10	\$125,693	\$12,569
Calvert	82	\$166,323	\$1,340
Caroline	0	0	0
Carroll	0	0	0
Cecil	7	\$38,066	\$5,438

Charles	2	\$132,048	\$66,024
Dorchester	0	0	0
Frederick	3	\$61,046	\$20,349
Garrett	1	\$3,755	\$3,755
Harford	13	\$195,246	\$15,019
Howard	28	\$1,188,023	\$42,429
Kent	60	\$911,956	\$15,199
Montgomery	122	\$693,543	\$5,685
Prince George's	185	\$4,971,480	\$26,873
Queen Anne's	1	\$963	\$963
St. Mary's	1	\$4,125	\$4,125
Somerset	10	\$29,076	\$2,908
Talbot	3	\$69,994	\$23,331
Washington	0	0	0
Wicomico	50	\$2,405,159	\$48,103
Worcester	0	0	0

Eight of the 24 counties reported owner occupied liens obtained by the county in their 2023 sales. Sixty-nine parcels statewide. Table 11b shows each county's total number of owner occupied liens obtained, and their total and average lien amounts.

Table 11b. Owner Occupied Liens Not Sold, Obtained by County - 2023 Tax Sales

County	Owner occupied parcels	Total lien amount	Average lien amount
Allegany	6	\$55,779	\$9,297
Anne Arundel	0	0	0
Baltimore City	36	\$1,621,404	\$45,039
Baltimore County	0	0	0
Calvert	0	0	0
Caroline	0	0	0

Carroll	0	0	0
Cecil	0	0	0
Charles	0	0	0
Dorchester	0	0	0
Frederick	0	0	0
Garrett	1	\$3,755	\$3,755
Harford	0	0	0
Howard	0	0	0
Kent	2	\$57,745	\$28,872
Montgomery	14	\$20,045	\$1,432
Prince George's	2	\$4,041	\$2,020
Queen Anne's	0	0	0
Somerset	2	\$22,699	\$11,349
St. Mary's	0	0	0
Talbot	0	0	0
Washington	0	0	0
Wicomico	6	\$195,180	\$32,530
Worcester	0	0	0

REDEMPTIONS & FORECLOSURES

Redemption

As described earlier in this report, a property owner may pay off the sold lien against (“redeem”) their property at any time after a tax sale until a circuit court judge signs an order in favor of the lien purchaser foreclosing the property owner’s right to redeem. The longer it takes the owner to redeem the property, the higher the lien payoff amount becomes due to accruing taxes, interest and fees.

The liens sold in the 2023 tax sales may be redeemed up until a foreclosure judgment is entered, which may be months or years after the date of the tax sale. Three months after a

foreclosure judgment is entered by a judge, the property owner may file a motion to strike foreclosure if the lien purchaser has failed to transfer title to the property into their name by paying their winning bid amount to the county and recording a deed. After a foreclosure is struck, the property owner may once again redeem by paying off the lien.

The data reported by the counties below is for properties redeemed by their owners during Fiscal Year 2023, the period from July 1, 2022 through June 30, 2023. These liens may have been sold at a tax sale in any prior year, but the liens were paid off by the owners during FY23.

1. Properties Redeemed Prior to Foreclosure, FY 2023.

Table 12a shows each county’s total number of properties redeemed before foreclosure between July 1, 2022 and June 30, 2023, and their total and average lien amounts.

Table 12a. All Properties Redeemed before Foreclosure - FY 2023

County	Total Parcels	Total lien amount	Average lien amount
Allegany	127	\$483,315	\$3,806
Anne Arundel	1082	\$3,581,057	\$3,310
Baltimore City	6,463	\$111,498,490	\$17,252
Baltimore County	168	\$849,805	\$5,058
Calvert	102	\$664,545	\$6,515
Caroline	101	\$230,029	\$2,278
Carroll	48	\$227,883	\$4,748
Cecil	259	\$665,504	\$2,570
Charles	361	\$1,548,309	\$5,932
Dorchester	42	\$109,174	\$2,599
Frederick	506	\$1,124,259	\$2,222

Garrett	52	\$154,434.13	\$2,970
Harford	128	\$307,145	\$2,400
Howard	190	\$1,605,056	\$8,448
Kent	26	\$553,332	\$21,282
Montgomery	932	\$4,217,718	\$4,525
Prince George's	2,025	\$11,381,228	\$5,620
Queen Anne's	152	\$293,709	\$1,932
St. Mary's	88	\$308,830	\$3,509
Somerset	79	\$280,901	\$3,556
Talbot	87	\$217,475	\$2,500
Washington	*	*	*
Wicomico	185	\$366,182	\$1,979
Worcester	8	\$40,485	\$5,061

** County unable to provide information*

The total number of owner occupied properties redeemed before foreclosure in FY23 was 2,277. Table 12b shows each county's total number of owner occupied liens sold, and their total and average lien amounts.

Table 12b. Owner Occupied Properties Redeemed Before Foreclosure - FY 2023

County	Owner occupied parcels	Total lien amount	Average lien amount
Allegany	34	\$106,848	\$3,143
Anne Arundel	595	\$1,592,419	\$2,676
Baltimore City	199	\$3,205,203	\$16,107
Baltimore County	0	0	0
Calvert	23	\$172,340	\$7,493
Caroline	37	\$86,076	\$2,326
Carroll	21	\$59,385	\$2,828
Cecil	129	\$319,720	\$2,478
Charles	19	\$90,286	\$4,752
Dorchester	17	\$40,472	\$2,381
Frederick	286	\$538,714	\$1,884
Garrett	15	\$42,095	\$2,806
Harford	73	\$193,743	\$2,654
Howard	106	\$488,371	\$4,607
Kent	16	\$34,096	\$2,131
Montgomery	435	\$1,686,901	\$3,878
Prince George's	909	\$3,555,971	\$3,912
Queen Anne's	96	\$229,824	\$2,394
Somerset	28	\$40,533	\$1,448
St. Mary's	36	\$170,766	\$4,754
Talbot	45	\$65,690	\$1,460
Washington	*	*	*
Wicomico	64	\$92,709	\$1,449
Worcester	3	\$12,439	\$4,146

Foreclosures

As described earlier in this report, a foreclosure is a court judgment that forecloses the property owner’s right to “redeem” (pay off their sold lien). In the 24 counties, lien purchasers may file a motion to foreclose as soon as 6 months after the tax sale date, and up until two years after the tax sale date. For owner occupied properties in Baltimore City, the lien purchaser cannot file a motion to foreclose until at least nine months after the tax sale date.

Two years after the tax sale date, if a lien purchaser fails to file a motion to foreclose, they lose their right to do so and they forfeit any funds paid to the local jurisdiction. The homeowner may still redeem the property by paying off the county’s remaining lien amount. If the lien continues to remain unpaid, the county may sell the lien again in their next tax sale.

Three months after a foreclosure order has been signed, if the lien purchaser has not transferred title to their name by paying their bid amount to the county and recording a deed, the homeowner may file a motion to strike foreclosure in circuit court and regain their right to redeem and clear their title.

The data reported below is for properties whose owners’ right to redeem was foreclosed during Fiscal Year 2023, the period from July 1, 2022, through June 30, 2023. These liens may have been sold at tax sale in any prior year, but the foreclosure was finalized during FY23.

2. Properties Subject to Foreclosure by the County.

Three of the 24 counties reported properties foreclosed by the county in FY23. Table 13a shows the total number of properties foreclosed by the county, and their total and average lien amounts.

Table 13a. All Properties Foreclosed by the County - FY2023

County	Total Parcels	Total lien amount	Average lien amount
Allegany	0	0	0
Anne Arundel	0	0	0
Baltimore City	46	\$904,253	\$19,658

County	Total Parcels	Total lien amount	Average lien amount
Baltimore County	0	0	0
Calvert	0	0	0
Caroline	0	0	0
Carroll	0	0	0
Cecil	0	0	0
Charles	0	0	0
Dorchester	0	0	0
Frederick	0	0	0
Garrett	0	0	0
Harford	0	0	0
Howard	0	0	0
Kent	0	0	0
Montgomery	0	0	0
Prince George's	0	0	0
Queens Anne's	0	0	0
St. Mary's	11	\$15,428	\$1,486
Somerset	14	\$72,587	\$5,185
Talbot	0	0	0
Washington			
Wicomico	0	0	0
Worcester	0	0	0

** County unable to provide information*

Two of the 24 counties reported owner occupied properties foreclosed by the county in FY23. Table 13b shows each county's total number of owner occupied liens foreclosed by the county, and their total and average lien amounts.

Table 13b. Owner Occupied Foreclosed by the County - FY2023

County	Parcels owner occupied	Total lien amount	Average lien amount
Allegany	0	0	0
Anne Arundel	0	0	0
Baltimore City	9	\$112,734	\$12,526
Baltimore County	0	0	0
Calvert	0	0	0
Caroline	0	0	0
Carroll	0	0	0
Cecil	0	0	0
Charles	0	0	0
Dorchester	0	0	0
Frederick	0	0	0
Garrett	0	0	0
Harford	0	0	0
Howard	0	0	0
Kent	0	0	0
Montgomery	0	0	0
Prince George's	0	0	0
Queen Anne's	0	0	0
St. Mary's	0	0	0
Somerset	5	\$51,673	\$10,335
Talbot	0	0	0

Washington	*	*	*
Wicomico	0	0	0
Worcester	0	0	0

* County could not provide this information.

3. Foreclosed by a Private Holder of a Tax Lien Certificate, FY 2023.

The counties reported the following number of properties whose owners' right to redeem (pay off their debt) was foreclosed by a judge in favor of a private lien holder. Once the foreclosure is entered, if the lien holder seeks to take ownership of the property, they must pay their winning tax sale bid amount and any outstanding debt to the county and record a deed. If the lien holder fails to pay the county their winning bid and take title to the property three months after the foreclosure, the foreclosed owner may file a motion to strike the foreclosure and, if granted, regain their right to redeem. Table 14a shows each county's total number of properties foreclosed by a private holder, and their total and average lien amounts.

Table 14a. All Properties Foreclosed by a Private Lien Holder - FY2023

County	Total parcels	Total lien amount	Average lien amount
Allegany	28	\$113,716	4,061
Anne Arundel	31	\$253,980	\$8,193
Baltimore City	303	\$1,184,584	\$3,909
Baltimore County	3	\$38,959	\$12,987
Calvert	16	\$86,835	\$5,427
Caroline	18	\$69,126	\$3,840
Carroll	7	\$47,346	\$6,764
Cecil	5	\$77,917	\$15,583
Charles	32	\$164,617	\$5,144

Dorchester	12	\$71,358	\$5,947
Frederick	8	\$24,609	\$3,076
Garrett	14	\$27,795	\$1,985
Harford	14	\$35,121	\$2,509
Howard	6	\$18,264	\$3,044
Kent	35	\$179,640	\$5,133
Montgomery	9	\$43,157	\$4,795
Prince George's	62	**	**
Queen Anne's	19	\$35,741	\$1,881
St. Mary's	35	\$32,742	\$829
Somerset	13	\$15,305	\$1,177
Talbot	9	\$18,025	\$2,003
Washington	*	*	*
Wicomico	1	\$410	\$410
Worcester	1	\$2,080	\$2,080

*** These 62 accounts were for periods prior to 2018. The county's system could not pull the original lien amounts for the accounts as these records were purged on 6/15/2024.*

** County could not provide this information.*

Baltimore County, Harford, Talbot, Wicomico, and Worcester Counties reported no owner occupied foreclosures by private lien holders. Of those counties reporting, the total number of owner occupied foreclosures by a private lien holder was 117. Of these, the average lien amount was \$4,362. Table 14b shows each county's total number of owner occupied foreclosures, and their total and average lien amounts.

Table 14b. Owner Occupied Foreclosed by a Private Lien Holder - FY2023

County	Owner occupied parcels	Total lien amount	Average lien amount
Allegany	7	\$32,352	\$4,622
Anne Arundel	3	\$29,623	\$9,874
Baltimore City	68	\$253,051	\$3,721
Baltimore County	0	0	0
Calvert	8	\$41,198	\$5,150
Caroline	1	\$2,273	\$2,273
Carroll	2	\$21,820	\$10,910
Cecil	2	\$5,394	\$2,697
Charles	1	\$1,874	\$1,874
Dorchester	1	\$13,192	\$13,192
Frederick	4	\$11,348	\$2,837
Garrett	2	\$5,416.91	\$2,708
Harford	0	0	0
Howard	3	\$10,470	\$3,490
Kent	1	\$1,719	\$1,719
Montgomery	8	\$40,326	\$5,041
Prince George's	*	*	*
Queen Anne's	2	\$2,951	\$1,476
St. Mary's	1	\$4,291	\$4,291
Somerset	3	\$7,900	\$2,633
Talbot	0	0	0
Washington	*	*	*
Wicomico	0	0	0
Worcester	0	0	0

** County unable to provide this information*

III. STATE TAX SALE OMBUDSMAN'S ACTIVITIES

CONTACT WITH HOMEOWNERS

On January 1, 2020, the Ombudsman's Office launched the Maryland Homeowners' Tax Sale Help Center at dat.maryland.gov/taxsale, where homeowners can access personal, individualized assistance with their delinquent tax issues by phone at (410) 767-4994, (833) 732-8411 (toll free), or by email at sdattaxsale@maryland.gov.

For FY 24, July 1, 2023 through June 30, 2024, the Office assisted approximately 14,267 homeowners; an estimated 4,579 by phone, and roughly 9,688 by email.

Assistance Strategy

Homeowners contact the Office for assistance with a variety of issues related to tax sale. Ombudsman staff are trained to listen carefully, show compassion and empathy, provide information, and discuss resources that may help. In particular, the Office seeks to understand the unique issues each homeowner is facing and to provide individualized assistance.

The homeowner assistance strategy starts with explaining the tax sale process, determining and explaining where the homeowner is in that process, and answering any questions they might have. Then, TSO staff help homeowners communicate with the county finance office, apply for tax credits, grants, and other public benefit programs, connect with a legal service provider, when needed, and access financial and housing counseling. Homeowners occasionally require help resolving issues with tax credit applications or with updating their property's records with the local SDAT assessment office. The circumstances of homeowners seeking the Office's assistance vary widely, and often require an array of different solution strategies.

The TSO staff make certain that homeowners know that if they encounter an obstacle, are unsure of the next steps, or have any questions, to contact the Office again. Homeowners are often extremely appreciative that staff members are willing to take the time needed to help them, and that the Ombudsman's Office will continue to be available to help in the future.

TAX CREDITS & GRANTS

Tax credits, and in particular the Homeowners' Property Tax Credit, are some of the Office's most important tools to help homeowners address their delinquent tax bills.

From July 1, 2022 through June 30, 2023, the TSO helped approximately 12,804 homeowners to apply for the Homeowners Property Tax Credit. It also helped about 4,918

homeowners apply for the Maryland Homestead Tax Credit.

TSO staff ask each homeowner whether they have applied for the Homestead Tax Credit and the current year's Homeowners' Property Tax Credit. They also check each homeowner's address in [SDAT's Real Property Search](#) portal, where application status can be viewed. The Office also helps homeowners who are over 70 apply for multiple years of the Homeowners' Property Tax Credit, as permitted by statute.

When a homeowner may qualify and has not applied, the TSO works closely with SDAT's Tax Credits division to assist homeowners through the application process. Sometimes there is an urgent rush to help a homeowner access a credit to avoid inclusion in an upcoming tax sale. Other times the homeowner has already applied but their application is incomplete or is missing supporting documentation.

The TSO offers the tax credit application as part of a checklist, along with other information and referrals, and they encourage homeowners to re-apply for the credit in future years once their immediate delinquent tax situation is resolved.

BENEFITS PROGRAMS

From January 1, 2022, through June 30, 2023, the Office assisted about 568 homeowners to apply for other discount programs or public benefits.

The Office routinely helps homeowners in applying for public benefits programs. Additionally, the majority of the homeowners assisted are referred to financial counselors, who regularly help homeowners apply for various public benefits and assistance programs, including ones not directly related to tax sale.

The most common benefits programs homeowners are referred to are the Supplemental Nutrition Assistance Program (SNAP), which provides low- and no-income individuals and families with money to buy food each month, and the Maryland Energy Assistance Programs, which provide low-income homeowners with financial assistance with heat and electric bills. These and other financial resources can help homeowners when they are assembling the funds they need to pay their tax bills.

LEGAL SERVICES, HOUSING COUNSELING, & SOCIAL SERVICES

From January 1, 2022, through June 30, 2023, the TSO referred approximately 4,189 homeowners to legal services, housing counseling, and other social services, described below.

1. Legal Services

The Ombudsman's Office does not provide legal advice, but it partners with nonprofit legal services that provide legal advice and assistance for free or reduced fees to qualifying homeowners. Homeowners' legal needs range from changing the title to a property after death and disputes over ownership, to responding to tax foreclosure, as well as advice and representation in other civil legal issues. The Office also offers this service option whenever a homeowner states that they will not be able to pay their delinquent bill. Legal services are usually an important part of a list of resources the Office provides to homeowners based on their individual circumstances.

2. Housing & Financial Counseling

These service providers help homeowners create budgets, manage their finances, discuss housing finance options, and determine how to meet their current housing needs. They are nonprofits and community-based organizations, approved by the U.S. Department of Housing and Urban Development. They are located across the state, serving local communities in every county. Many of their employees speak multiple languages, which helps us make referrals suited to homeowners' language needs.

Their services include financial management and budget counseling, credit workshops, mortgage delinquency and default resolution, prevention counseling and workshops, predatory lending education, reverse mortgage counseling, homeless counseling services, and rental housing counseling and workshops, among others.

3. Government Assistance

The Maryland Department of Human Services assists those in economic need and provides a variety of preventive and protective services to vulnerable Marylanders across the state. And the Maryland Department of Aging helps homeowners aged 60 or older access assisted living, meals, medication management, caregiver support, transportation, personal care and healthy living, and dealing with diseases and injuries..

The Internal Revenue Service's Earned Income Tax Credit provides a financial benefit for individuals with low to moderate income. The Comptroller of Maryland offers income tax credits and deductions, including the Earned Income Tax Credit, Poverty Level Credit, Child and Dependent Care Credit, and Independent Living Tax Credit.

Finally, SDAT's Tax Credits division helps homeowners apply for the Homeowners' Property Tax Credit and Homestead Tax Credit. SDAT's local assessment offices help homeowners apply for the Disabled Veteran's Exemption, Blind Person's Exemption, and assist homeowners in updating property

ownership/residence records and appealing property tax assessments.

2024 ANNUAL TAX SALE SURVEY

The fifth Annual Tax Sale Survey again asks 50 questions about each county's tax sale processes, policies, and detailed data from their tax sales. It also collects data on bid balance excess funds, and redemption and foreclosure data from the preceding tax year.

This year, every Maryland county has responded to the 2024 Annual Tax Sale Survey, providing valuable insights into their tax sale processes, as well as detailed data on their tax sales, redemptions and foreclosures.

As mentioned earlier, this year's survey covers the counties' 2023 tax sales and the redemptions and foreclosures that occurred in FY 23. This prior-year reporting strategy gives the counties a more manageable schedule on which to assemble the data and provide responses than reporting about activity in the same year as the survey.

Currently, each Maryland county usually holds a tax sale every year. In 2023, all counties held tax sales.

We continue to explore ways to make the survey process more manageable for the counties and to collect as complete and accurate data as possible.

IMPROVEMENT INITIATIVES

1. In 2021 and 2022, the TSO successfully championed a series of legislative changes that were enacted into law. They improved homeowners' access to tax credits (SB0197 2022), granted them critical extra time to redeem (SB0325 2021), and provided a second chance when they missed an application deadline or weren't aware of it (SB0181 2022), all increasing homeowners' ability to access much needed resources, pay their bills, and keep their homes.

In 2023, the TSO again worked with lawmakers to support a series of reform measures that improved redemption notice requirements (HB21), access to bid balance funds (HB43), county's ability to withhold properties from tax sale (HB57), communications between the homeowner and lien holder (HB83), and delayed foreclosure and added redemption expenses (HB235), secured resources for outreach (HB236), and improved the Homeowners' Property Tax Credit renewal process (H897).

In 2024, HB54 established a statewide installment program for homeowners to pay their property taxes. Working with the Department of Information Technology (DoIT), the TSO initially sought an appropriate vendor to implement this program.

However, no appropriate vendor was found, and the Department is currently pursuing a procurement using an RFP.

HB16 (2024) created a new appropriation method for the Homeowner Protection Fund, which funds the Homeowner Protection Program. It creates an online portal that allows members of the public to contribute donations to the fund. The Department is working diligently with DoIT to identify a vendor to implement the program, and this may ultimately involve issuing an RFP.

And there are more solutions on the way. The Office continues to explore new legislative tools and strategies that respond to specific challenges that the TSO sees first hand while helping homeowners.

2. In 2023, the TSO launched the Homeowner Protection Program (HPP), which was created by HB852 (2021). This loan and assistance program removes enrollees from the tax sale process and gives them an affordable repayment plan, ongoing personal support, and an assistance strategy tailored to their individual needs to help them pay and keep up with their taxes, improve their financial situations, and keep their homes.

Homeowners are eligible to apply if they are at risk of tax sale, reside in a home with an assessed value of \$300,000 or less, have a household income of \$60,000 or less, and assets of \$200,000 or less, other than the home. Preferential enrollment is reserved for homeowners who are at least 60 years old, currently receiving disability benefits, or owner occupants of their homes for ten years or more. More information and the enrollment application is available on the TSO web page dat.maryland.gov/taxsale.

The TSO is working to make this program function to the maximum benefit of homeowners in need. There are currently 25 enrollees in the HPP program, with the goal of enrolling at least 100 homeowners in FY25.

INSIGHTS & RECOMMENDATIONS

1. In discussions with partner service providers, county finance officers, and thousands of homeowners, one of the major factors contributing to tax sales is the need for financial knowledge and skills training to help homeowners make informed and effective decisions with their financial resources. Homeowners in tax sale report that they regularly fall behind in paying their bills, and that once they accumulate debt, they feel overwhelmed and hopeless about how to pay it off.

Most homeowners facing tax sale on their principal residence have some income,

and almost always have no mortgage. However, they often report that they are in need of a plan or strategy to pay their taxes on time. In addition to financial counseling, which we regularly recommend, financial training would help homeowners with financial decisions and money management, and help them avoid tax sale.

2. Homeowners continue to report that it is a challenge to pay their tax bills on a semi-annual basis. They inquire about a payment plan, and report feeling overwhelmed by their tax bill. They also report being confused by the way the amounts, fees and discounts are listed, seeking a clearer description of additional charges. They describe a preferred billing method, listing amounts clearly, with easy to understand labels, and a payment amount that would keep them out of tax sale.

In previous reports, the TSO has recommended creating an installment program. And as discussed earlier, HB 54 (2024) establishes such a statewide program through the TSO, which we are working diligently to implement. And it also authorizes and enables counties to create installment programs of their own.

3. Finally, there are many resources available to homeowners in need; from tax credits and grant programs, to counseling and other benefits programs. They're provided by federal, state, and local governments, as well as nonprofit organizations. But the ongoing challenge is connecting these resources with the homeowners who need them.

The TSO continues to connect with homeowners it helped previously. Through its Homeowner Follow Up initiative, it has reached out to find out where those it previously assisted are today. And now, with the resources available through HB 236 (2023) using new team members to conduct outreach to all homeowners on county tax sale lists, the TSO seeks to continually expand its reach to homeowners facing challenges paying their taxes.

The discovery is that nearly all homeowners the TSO has contacted were able to avoid tax sale in the following year after they were helped. They applied for tax credits, received grants, met with housing and financial counselors, made budgets, resolved title issues, and accessed an assortment of other services and benefits programs that stabilized their financial situations and helped them to continue to keep their homes.

The TSO collaborates with a statewide network of partner service providers, governmental agencies and offices, elected officials, nonprofit organizations, and local community groups to expand awareness of its services. The Office welcomes further opportunities to partner locally to reach Maryland homeowners in need.

IV. CONCLUSION

The Ombudsman's Office is continually exploring ideas to improve how it can meet the needs of Maryland homeowners. The TSO looks forward to working with partners across the state to find creative solutions that work for everyone.