美东第三周作业：缩减清单及相关内容

Maryland Baltimore County Tax Lien

* 细阐述该市场的拍卖规则：

巴尔的摩郡要求所有买家在拍到物业的当天用ACH方式以美元汇出款项，数额是所有应付税款（无论欠税与否）+税款的利息和罚金+举行拍卖活动所产生的费用+“高出价附加费”（即当买家的投标额超过所买物业评估价的４０％时，这个超出部分的２０％）。

买家的买入价与已付款项的差额，以及从拍卖日起计的税款、利息、罚金、拍卖费用等，暂时不用支付，直至止赎。法官判定止赎后１０天内，买家必须付清上述款项。否则郡政府可起诉买家。

如果２０２１年的拍卖在９月９日无法完成，郡税务官应当决定继续进行拍卖并向投标者宣告，直至所有被拍卖的物业卖出。９月９日之后买到物业的买家应在购买当天按上述数额汇款。

税务官将返还“高出价附加费“（无利息）给（A）及时止赎的Tax sale certificate持有者；（B）在交付该物业的tax sale deed时支付了所有应付款项、及时采取行动止赎的原告；（C）此次tax sale被郡政府出于任何原因而宣布无效。除上述三种情况外，“高出价附加费”将由税务官保存。

* 选择该市场的原因：
  + Active List （8月20日之前注册，9月9日拍卖）
  + 大部分资产会在六个月之内被赎回，可以快速得到回报
  + 6个月就可以进行止赎，可以在短时间内了解整个过程
  + 使用网上拍卖的方式，信息容易获得
  + 12%的interest，回报不错
* 如何拿到这个List的: <https://www.baltimorecountymd.gov/departments/budfin/taxpayerservices/taxsale/index.html>

Note：屋主在Tuesday, August 31, 2021, at 4:30 p.m.之前有权付清税款避免Tax Lien Sale，清单从发布开始每周更新一次。所以实际操作中，建议9月1日下载清单，进行尽职调查。

* 原来List有多长：1797 recods

**针对清单的筛选我们做了房产和土地两种投资的操作。两个清单在提交的Excel中的两个tab里。希望老师点评两种清单筛选条件的可操作性以及有哪些欠缺的地方。**

**清单一： Final List House （26 Records）**

筛选条件：

* 选择有房子的标的：只看有门牌号的内容
* LLC拥有，尽量投资被赎回可能性大的标的
* Amt Due $5000-$10000
* Amt Due/Full cash value <0.03

**清单二： Final List Land（37 Records）**

筛选条件：

* 作为新手，且远程线上拍卖，对于标的物掌控能力有限，对于房屋的后续翻新修复的经验也有限，决定先从土地留置权入手尝试。
* Full cash value：原定选择$15000-50000区间，后来发现这个区间的标的挺少的，考虑到还有几周时间才到拍卖日，可能清单还会进一步减少，所以适当将区间扩大到$15000-70000。但$50000元以上的目标用红色标注，后续尽调时需要再仔细看一下。
* Amt due： $500-1000 ，结合full cash value的筛选结果，这个起拍价的范围，基本上将Amt due/full cash value控制在0.015左右及以下。

针对该County，小组成员对W2的问题做了详细的研究和回答。

1. How does the bidding work (do you did down the interest rate, pay a premium, or bid down ownership interest)?拍卖方式是什么？是利率向下拍卖，竞价拍卖，或所有权向下拍卖）？

拍卖方式：Tax lien，pay a premium

All bids shall be submitted using the Baltimore County Tax Sale system. Bids may be submitted beginning Thursday, September 9, 2021, at 9 a.m.

Certificates of Tax Sale shall be awarded to the bidder who makes the highest good faith bid.

the purchaser shall pay the County, by ACH debit of purchaser’s bank account, the full amount of taxes and other charges, expenses and a high bid premium if applicable.

1. What are the sale procedures and does the local government have a brochure or printed materials that outline the process?税务销售流程是什么样的？政府是否提供小册子或印刷材料概述过程？

No brochure or printed materials.

1. Online registration

If you are interested in participating as a bidder at the Collector’s tax sale, you must register online at: https://www.baltimorecountymd.gov/taxsale2021 to participate.

Registration begins on or about August 9, 2021 and the deadline for registration is August 20, 2021 at 4:30 p.m. Registration begins on or about August 2, 2021, and the deadline for registration is August 20, 2021, at 4:30 p.m. If you fail to register online by August 20, 2021, at 4:30 p.m., you will not be able to participate in the Collector’s tax sale and any subsequent 2021 sale conducted by the Collector, if any.

Online registration includes your agreement to the "Collector’s Terms for the 2021 Tax Sale" and the “2021 Tax Sale Internet Procedures,” your completion of the “Bidder Registration Form” and remittance of the $100 tax sale registration fee, before you may bid in the Collector’s tax sale. A $100 registration fee shall be charged to each bidder’s bank account by ACH debit. Payment in United States dollars is required. The registration fee is nonrefundable unless a potential registrant is denied registration for and participation in the 2021 tax sale.

**Any and all registrants that are entities (not an individual) shall register with the Collector in their legal entity name that is registered with the Maryland State Department of Assessments and Taxation and such entities must be in good standing and qualified to conduct business as a domestic or foreign entity in the State of Maryland.**

Only upon the approval of a registration for the Collector’s 2021 tax sale, will the County forward an email registration confirmation to each individual/entity participating in the tax sale and will also assign a unique identifying number to each bidder.

As part of the registration process, each bidder must provide its social security number or tax identification number and complete the “Substitute for IRS Form W-9” form included on the Bidder Registration Form. Each bidder shall enter a valid bank account from which its purchases will be debited. All participants/bidders are required to provide and maintain a budget to cover the cost of its anticipated purchases. Taxes as well as high-bid premiums will be applied against this budget.

1. Payment

on September 9, 2021, the purchaser shall pay the County, by ACH debit of purchaser’s bank account, the full amount of taxes and other charges due to the Collector of State and County Taxes for said County on the property sold at the September 9, 2021 Collector’s tax sale, whether in arrears or not, together with interest and penalties thereon and all expenses incurred in making the sale, and along with a high-bid premium, if applicable, and thereafter, the residue of the purchase price, together with taxes, interest, penalties, expense and charges, which accrue from the date of the Collector’s tax sale, shall remain on credit until a final decree has been passed, foreclosing the right of the redemption on the property.

All bidders/purchasers must pay for their properties, including the high-bid premium, if applicable, by ACH debit not later than 4:30 p.m. the day of the auction. The bank account provided at registration will automatically be debited for the total amount due.

**High-Bid Premium Example**

| Assessed value | $100,000 | Bid Price | $50,000 |
| --- | --- | --- | --- |
|  | X         40% |  | -  $40,000 |
|  | -------------- |  | --------------- |
|  | $40,000 |  | $10,000 |
|  |  |  | X          20% |
|  |  |  | -------------- |
|  |  | Bid premium paid at sale | $2,000 |

The balance of the purchase price will remain on credit and must be paid, together with taxes, interest, penalties, expenses and charges, which accrue from the date of the sale through the date of Judgment as required in Section 14-844 (d) of the Tax-Property Article of the Annotated Code of Maryland.

1. Bidding

All bids shall be submitted using the Baltimore County Tax Sale system. Bids may be submitted beginning Thursday, September 9, 2021, at 9 a.m. Bids received with a time stamp prior to 9 a.m. will not be accepted and will be considered invalid. Individual property listings will be provided to all registered bidders on Tuesday, September 7, 2021 in the form of formatted spreadsheets. One spreadsheet is used for bids using a dollar value. The second spreadsheet is to be used for bids using the form of a bid factor (a percentage of assessed value.) Certificates of Tax Sale shall be awarded to the bidder who makes the highest good faith bid. The Collector may refuse to accept bids that are not made in good faith.

If there are no bidders or if no bid is accepted by the Collector for any property, the property may be sold to Baltimore County.

1. The County’s Office of Budget and Finance will provide each successful bidder with IRS Form 1099 and will report any earnings to the proper taxing authorities.

All successful bidders/purchasers will be notified at the conclusion of the tax sale by receiving individual itemized invoices with the amount due. Notification will include the tax sale amount and the high-bid premium, if applicable. All bidders/purchasers must pay for their properties, including the high-bid premium, if applicable, by ACH debit not later than 4:30 p.m. the day of the auction. The bank account provided at registration will automatically be debited for the total amount due for certificates purchased by each bidder/bidder representative, as applicable. Purchasers must ensure the funds (in U.S. dollars) are available for all bids prior to 4:30 p.m. local time.

1. What is the interest rates or penalties to be earned?如果是Tax Lien, 投资者能赚取的最高利率或罚款是多少？

Section 11-2-402 of the 2003 Baltimore County Code, as amended, provides for interest at the rate of 12 percent per annum for redemption of property sold at the tax sale.

1. If redemption occurs mid-month do you get the entire month’s interest?如果月中老屋主赎回房产，投资者是否得到整月的利息？
2. Are physical certificates printed and what is the timing of their receipt? 政府是否提供打印的实物tax lien certificate？多久能收到tax lien certificate？

Yes. Lien certificates are required prior to any transfer of real property accounts. The cost is $55 and checks should be made payable to Baltimore County, Maryland.

In most instances, the Certificates of Tax Sale will be mailed within six months of the day of sale. Certificates of Tax Sale will not be issued until all monies due the Collector are paid as required in Section 14-818 of the Tax-Property Article of the Annotated Code of Maryland and these Collector’s terms.

You can now request and pay for a lien certificate online.

https://resources.baltimorecountymd.gov/Documents/Budget/liencertificateapp.pdf

Once your lien certificate request is complete and paid for, please allow three working days for a lien certificate to be emailed. If the email address submitted is invalid, the lien certificate will be mailed to the address provided.

1. What is the redemption period and can property owners be contacted during the redemption period? 有赎回期限多久？赎回期间，投资者可以联系原业主吗？

Redemption cannot be filed until six months after the date of sale , and it cannot be filed later than two years after the date of the certificate.

In most instances, the first day to file in Circuit Court to foreclose rights to redemption on properties sold at the September 9, 2021 tax sale is March 9, 2022. Before filing, check with the County Tax Sale Desk by calling 410-887-5616 to verify that the property has not been redeemed. A Bill of Complaint must be filed within two years from the date of the Certificate of Tax Sale.

If the home needs substantial repairs, or will need substantial repairs within six months, to comply with the local building code, the purchaser might, depending on the circumstances, be able to start the foreclosure at any time after 60 days from the sale date. (Md. Code Ann., Tax-Prop. § 14-833).

In some cases, the winning bidder can start the foreclosure process sooner. For instance, a person or entity that purchases a certain type of abandoned property or vacant property, or when the governing body of a county or municipal corporation becomes the holder of a certificate of sale, the foreclosure can start at any time after the sale date. (Md. Code Ann., Tax-Prop. § 14-833).

没有查到关于赎回期内是否可以联系老屋主的规定。

1. What are the redemption rights of the property owner? 老屋主的赎回权有哪些？

Within 60 days after the tax sale, the collector must send homeowner a notice by mail that includes information about the sale and about your right to redeem the home. (Md. Code Ann., Tax-Prop. § 14-817.1).

Maryland homeowners generally get at least six months after the sale to redeem the home. (Md. Code Ann., Tax-Prop. § 14-833). These six months are called a "redemption period." During this time, homeowner can pay off the tax debt and prevent the purchaser from getting the title to your property.

In most cases, the winning bidder must give you two notices before it starts the foreclosure. The winning bidder can't begin the foreclosure until at least two months after sending you the first notice and at least 30 days after sending the second notice. (Md. Code Ann., Tax-Prop. § 14-833).

The redemption amount is generally:

the total overdue amount that the winning bidder paid at the tax sale for the property, plus interest

any additional taxes, interest, and penalties the winning bidder paid

any taxes, interest, and penalties that accrued after the tax sale (except in some cases), and

certain expenses the winning bidder paid, like postage and certified mailing costs for the required notices, attorneys' fees, and title search fees. (Md. Code Ann., Tax-Prop. § 14-828, § 14-843).

The amount will vary depending on how long you wait to redeem. The longer you hold off on redeeming, the more you'll have to pay.

1. What is the life of lien? When does it expire? 房产税留置权的有效期是多久？什么时候到期？

If the winning bidder doesn't start the foreclosure within two years after the date of the certificate of sale, the certificate becomes void, and the bidder loses all rights to your property. (Md. Code Ann., Tax-Prop. § 14-833). At this point, the property will probably be sold at another tax sale if the homeowner doesn't get caught up on the overdue amounts.

1. 政府如何进行止赎 （Foreclosure）？

Contact lawyer on or after Jan 9, 2022 and prepare filing court complaint on March 9, 2022. In most instances, the first day to file in Circuit Court to foreclose rights to redemption on properties sold at the September 9, 2021 tax sale is March 9, 2022. Before filing, check with the County Tax Sale Desk by calling 410-887-5616 to verify that the property has not been redeemed.

After the tax lien certificate holder files a complaint, the court issues summonses to all named defendants (which can include mortgagees, beneficiaries under a deed of trust, trustees under a deed of trust and/or the county) and an order of publication for the foreclosure proceeding. Both the summonses and the publication state a date, no sooner than 60 days from the date of the publication order, by which anyone having an interest in the property must answer the complaint or redeem the property. The tax lien certificate purchaser must also post in a conspicuous place on the property (e.g. the front door) a notice setting forth: (i) the substance of the complaint and the relief sought, (ii) a description of the property in substantially the same form as the description appearing on the collector’s tax records, (iii) the time within which a defendant must file an answer to the complaint or redeem the property, and (iv) a statement that failure to answer or redeem the property within the time allowed may result in a judgment foreclosing the right of redemption. The posting may be made either by the sheriff or by a private person. If by private person, that individual will file with the court an affidavit setting for the name and address of the affiant, the caption of the case, the date and time of the posting, and a description of the location of the posting and will attach a photograph of the location showing the posted notice.

A final judgment may not be entered before the last of: (i) if actual service is made on the defendant, the passage of the time specified in the summons issued by the court; (ii) the actual time specified in the order of publication; or (iii) 33 days after the date of mailing the copy of the order of publication to each defendant.

The tax lien certificate purchaser is also required to send written notice accompanied by a copy of the complaint to judgment creditors, each tenant or “occupant” of the subject property, and the collector. Failure to notify these non-defendants does not invalidate the judgment, but could negatively impact the marketability of the title to the property.

After issuance of the judgment and at least 30 days before taking possession, the tax lien certificate purchaser is required to give any tenant written notice of the tax lien certificate purchaser’s intention to obtain possession of the property and that the tenant must vacate the property within 30 days of the notice. During the 30-day period following the judgment, the tax lien certificate purchaser may apply for and obtain, but not execute upon, a writ of possession of the property.

1. 房产税地契拍卖 （Tax Deed）后有赎回期吗？

No tax deed in Maryland

1. 赎回期有多长？

NA

1. 如果老屋主赎回， 投资者的收益是什么？

NA

1. Is a quiet title suit required? 老屋主拿到的Tax Deed, 产权是否清晰？是否需要产权清晰诉讼？

NA

1. How does the holder of the tax lien take ownership if redemption does not occur? 如果房产税留置权没有赎回，房产税留置权持有者如何取得物业所有权？

参见第8、9题回答

1. What is the expected period before clear title can be obtained? 多久可以获得清晰产权？

没有查到相关信息

1. What other items or situations impact the priority status of the lien?还有哪些事项或情形可以影响留置权的优先级？

Higher priority lien

1. Are there special noticing requirements in existence that could impact the status or priority of the tax lien?是否存在可能影响税收留置权的地位或优先级的特殊通知要求？

未查到相关信息

1. Are there any put-back provisions that would allow the purchaser to put back the lien to the municipality (bankruptcy, incorrect advertisement, etc.)?是否有任何退回条款允许购买者将留置权退还给市政当局（破产，不正确的广告等）？

If misleading, inaccurate or otherwise inappropriate information is brought to your attention, please promptly contact the Baltimore County Office of Budget and Finance Tax Sale Section so that a reasonable effort may be made to correct or remove it.

房产在Tax Sale之前被卖了，税被付清，但政府没来的及更新list，依然进行了Tax Sale（There may be tax liens pertaining to properties sold for which taxes were paid prior to the sale date or other circumstances which render the sale invalid or void. In the event the County determines that a tax sale is invalid or void, the County will, as the exclusive remedy available to the purchaser, reimburse the purchaser the tax sale purchase price paid, without interest, or any applicable high-bid premium paid, without interest. ）

County有权取消Tax Sale for any reason，这样得不到任何interest，只退回本金（Whenever a tax sale on a property is voided by the County for any reason, purchasers will be notified and advised not to pursue any further foreclosure action or to incur additional expenses. Reimbursement will be limited to the amount of taxes and high-bid premium, if any, paid at the sale.）

1. Are subsequent taxes available for purchase? If yes, what rate?可以购买后续税吗？ 如果是，利率是多少？

Not sure. Probably not a common practice，因为六个月就能止赎。

1. 为了完成该份作业，你们参考了哪些网站，比如郡 （County）或者城市 （City）网站，Tax Sale拍卖网站，这些网站对你们有什么帮助？

<https://www.baltimorecountymd.gov/departments/budfin/taxpayerservices/taxsale/>

<https://www.nolo.com/legal-encyclopedia/getting-your-home-back-after-property-tax-sale-maryland.html>

<https://www.rossalbers.com/maryland-tax-sale-foreclosure/>

Related Maryland Tax - Property law

https://law.justia.com/codes/maryland/2010/tax-property/title-14/subtitle-8/