2021 Tax Sale Frequently Asked Questions for Property Owners

The following list of the most frequently asked questions and answers has been compiled to inform residents of basic requirements and guidelines governing the Howard County Tax Sale. Some of the contents below may not be applicable and are subject to revision without prior notice. Please visit our website at https://www.howardcountymd.gov/finance/tax-sale for updates to these FAQs and other important information. Tax Sale related questions can be sent to taxsale@howardcountymd.gov.

Why is my property going into tax sale?
Property is sold at tax sale because there are unpaid taxes and/or water and sewer bills associated with the property or other municipal liens.

What can I do to keep my property from being in Tax Sale?
The only way to keep your property from Tax Sale is to pay the amount due the County prior to the Tax Sale. The County will not enter into a payment plan to keep a property out of Tax Sale.

Does the County offer payment plans?
No, the County does not offer payment plans. You can make incremental payments throughout the year; however, taxes must be paid in full prior to 5pm on August 3, 2021 in order to avoid tax sale. Please note that interest will continue to accrue based on the outstanding balance owed.

What are my payment options?
Payments for the 2020 Tax bill year will be accepted until 5pm on Tuesday, August 3rd. Payment options are as follows:

- Credit/Debit card payments can be made at:
    - Real Property: https://howardcountymd.munisselfservice.com/
    - Water & Sewer: https://utilli.howardcountymd.gov/#/
      Note: Water & Sewer payments can be made at the above address until July 1, 2021. Effective July 2nd, water & Sewer payments must be paid using the Real Property link above.

- Personal checks, money orders, and cashiers' checks can be accepted by sending to 3430 Courthouse Drive, Ellicott City, MD 21043. If sending a check, be sure to include the parcel number on the front of the check. Payments will be applied on the date received, postmarks are not accepted

Residents sending payments that are received on or before Tuesday, August 3rd can choose to pay only their 2020 tax bill year. Once the 2020 property tax bill is paid in full, residents can make their 2021 property tax payments as per the regular tax bill schedule. Payments for the 2021 property tax bill year can be received up to September 30th without incurring interest.
Beginning Wednesday, August 4th payments received **must** also include the outstanding 2020 property tax bill plus the full payment of the 2021 property tax bill plus any open water bills.

Can I pay at the George Howard Building?
Due to the COVID pandemic, the George Howard Building is currently closed. As an alternative, payments can be dropped off outside the George Howard Building in the payment drop-box. Please enclose your payment in an envelope and ensure your parcel number is clearly recorded on the face of the check. Payments are collected daily. Payments received after Tuesday, August 3rd, will result in your property entering tax sale. The address is 3430 Courthouse Drive, Ellicott City, MD.

How will my payments be applied?
For check payments sent by mail, payments will be applied to the 2020 Tax Year unless there is a note on the front of the check indicating the payment is for a different tax year. Any additional funds will be applied to the 2021 tax year. If paying online, you will select the tax year(s) in which you would like to make your payment. Please pay close attention to the tax year(s) that you select for accurate payment application. Selecting 2021 tax bill can/will result in your property entering tax sale for any unpaid 2020 tax bill.

Will my payment be applied based on the postmark date?
Payments will be applied on the date received, postmarks are not accepted.

What if I have a property tax escrow with my mortgage company?
If you have an escrow established with your mortgage company, you should contact them immediately to determine the status of the payment. You should also alert them that payment must be received on or before August 3, 2021 to avoid tax sale. Your

mortgage company can contact Tax Customer Service department at 410-313-2062 or via email at customerservice@howardcountymd.gov if they have questions.

Will I receive a receipt when I pay my taxes?
No, a receipt will not be sent if your payment is received by mail. To check verify your payment has been posted, you may refer to our website or contact customer service at 410-313-2062. If you submit your payment online on or before August 3, 2021, you will receive a confirmation for your payment. https://howardcountymd.munisselfservice.com/

What if I need to change my mailing address or I have questions about the assessed value of my property?
This information is provided to Howard County by the State Department of Assessments and Taxation (SDAT). Inquires may be directed to 410-480-7940. More information including forms may be found on their website: https://dat.maryland.gov/

At Tax Sale, does the bidder buy my property? Do I have to move after the sale?
A tax sale bidder does not purchase your property. They purchase a lien on the property, that is created by the unpaid taxes and/or water and sewer charges. If you redeem the property at any time prior to foreclosure, you will not have to give up your rights to the property.

What must the homeowner do to redeem the property after a Tax Sale?
To redeem the property after a tax sale, the homeowner must pay Howard County the total amount paid at the tax sale on his or her behalf, together with 18% interest and penalties and any taxes that accrue after the tax sale date as well as any other open County Liens (i.e. open water and sewer bills). This payment must be made with certified funds

In addition, if the redemption occurs after four months from the date of tax sale, the homeowner must first reimburse the holder of the certificate of sale for expenses and attorney's fees incurred. The certificate holder will then provide the owner with a letter of release, which will allow the owner to redeem the property from tax sale. If the owner redeems within the first four months from the tax sale date, the owner is not liable for any bidder expenses and a letter of release is not necessary.

How long does the owner have to redeem the property after Tax Sale?
Pursuant to the Annotated Code of Maryland, §14-827, The owner or other person that has an estate or interest in the property sold by the collector may redeem the property at any time up until the time that the right of redemption has been finally barred by a decree of foreclosure.

What happens if a bidder does not file a civil action case within two years?
If the owner does not redeem and no civil action case is filed within two years from the date of the certificate of sale, the certificate of sale is void and the bidder loses all rights to the property and subsequently to any monetary reimbursement. The property could be sold again.

Does Howard County initiate or handle any foreclosure proceedings?
No, Howard County may not provide legal counsel or assistance to either party in a civil action case. Interested parties should seek professional advice as deemed necessary.

What if the owner does not redeem the property?
If an owner fails to redeem his property from tax sale, the bidder may file a civil action case in court to foreclose the owners' right of redemption. The action to foreclose the owners' right of redemption must be filed no less than six months from the date of sale and no more than two years from the date of the certificate. If judgment is granted in favor of the bidder, the bidder may gain full title to the property by paying the balance of their bid if any, and any taxes or other County liens that accrue after the date of sale, after which a deed can be drawn.

What interest rate is paid on the lien upon redemption?
The current interest rate paid by Howard County on a tax sale property is eighteen percent (18%) annually. The interest amount will be calculated at a daily rate from the date of sale to the date of redemption.

How long is the tax lien valid?
The tax lien certificate is valid for two (2) years from the date of the certificate unless a proceeding to foreclose the right of redemption is filed prior to the two (2) year expiration.