



## ***TERMS OF THE 2009 TAX SALE***

All tax sale bidders are subject to the following terms and conditions of sale:

### **I. REGISTRATION**

All potential bidders **must** pre-register with the Office of Finance either by mail, or in person, no later than Friday, May 8, 2009. **No registrations will be accepted on the day of sale.** Please visit our website at [www.howardcountymd.gov](http://www.howardcountymd.gov), or call or email the Tax Sale Registrar at 410-313-3196: [jbrown@howardcountymd.gov](mailto:jbrown@howardcountymd.gov) to obtain further registration information and/or materials.

A. **BID CARD** Bidders must pre-register with the Collector of taxes for Howard County (also referred to as the Director of Finance) and provide the following information: name, address, telephone number, social security or federal identification number, e-mail address and signature. Bidders will complete form W-9, *Request for Taxpayer Identification Number and Certification* and the Collector will provide tax sale purchasers with IRS form 1099 to report interest paid as required by law. On the day of the sale bidders must provide proof of identity in the form of a driver's license or acceptable photograph identification to obtain a pre-numbered bid card. Only one (1) pre-numbered bid card will be assigned per legal entity or individual. Bid cards are to be turned in at the end of the tax sale.

B. **BUSINESS ENTITIES** All persons bidding on behalf of a business entity must register in the full legal name of the business entity. All registered business entities must be qualified to conduct business as a domestic or foreign entity in the State of Maryland, and must provide the name and address of their resident agent and the street address for their principal place of business.

### **II. FINANCIAL REQUIREMENTS**

A. **DEPOSIT** A deposit of one thousand (\$1,000.00) dollars in cash, cashiers check, certified check, or money order is required in order to pre-register. Pre-registration will be accepted via mail or in person, at Howard County Office of Finance located at 8930 Stanford Blvd., Columbia, MD 21045, beginning four weeks prior to Tax Sale. **Please do not send cash via mail.** The deposit will be applied to the amount due for properties purchased or will be refunded if the bidder has not purchased any property. Make checks payable to the Director of Finance, Howard County.

B. **PAYMENT** The Purchaser is required to pay to the Collector the amount of delinquent taxes together with any additional interest, penalties, charges, and high bid premium, if any. Personal checks imprinted with name, address, and telephone numbers are acceptable. Payment must be received no later than 2:00 P.M. the following business day. A detailed receipt for all properties purchased will be provided to the Purchaser.

C. **HIGH-BID PREMIUM** In addition, a high-bid premium of 20% of the amount by which the highest bid exceeds 40% of the assessed value (labeled as HBP in the newspaper advertisement) will be charged for all properties sold at the tax sale [Tax-Property Article, Annotated Code of Maryland § 14-817].

1. The Collector shall refund the high-bid premium without interest to:
  - a. The holder of the tax sale certificate upon redemption of the property for which the high-bid premium was paid; or
  - b. The plaintiff in an action to foreclose the right of redemption on delivery of a tax sale deed for the property for which the high-bid premium was paid.
2. “The high-bid premium is not refundable after the time required under § 14-833 of this subtitle for an action to foreclose the right of redemption if there has been no redemption and if an action to foreclose the right of redemption has not been filed within that time.” [Tax-Property Article, Annotated Code of Maryland § 14-817]

### III. CONDUCT OF SALE

A. **BIDDING** The initial bid price will be no less than the total amount due for taxes and other charges, together with interest, penalties and expenses of sale. If there is no bidder, the property will be sold to Howard County, Maryland. The auctioneer will begin with the first property and proceed in alphabetical order, stating the amount due. The auctioneer will set any and all incremental bidding levels and when the auctioneer pronounces the property “Sold”, the sale of that property is complete and final. The auctioneer’s decision will not be overturned.

B. **TERMS; BREACH** Each winning bid constitutes an agreement by the winning bidder to purchase the property according to these terms and applicable law. Any breach of said agreement by any bidder may, at the discretion of the Collector, result in retraction of the bid card, ejection from the sale, forfeiture of the deposit, and/or prohibition from participation in future sales.

C. **BID CARD** Bidders are requested to fully extend their assigned numbered card. In order to avoid any disputes, the card must be visible to the auctioneer.

D. **DISRUPTIVE BIDDERS** Disruptive bidders will be ejected from the sale and barred from further participation in Howard County tax sales.

E. **SETTLEMENT** Settlement will begin after the records have been updated. The listing of purchases will be available at the tax sale site however payment must be made in the Office of Finance. Bidders must make final payment or retrieve their deposits at the Howard County Cashier's Office, located at 8930 Stanford Blvd., Columbia MD 21045.

#### IV. CERTIFICATE OF SALE

A. **NOTIFICATION TO PROPERTY OWNERS** The Collector will inform the property owner of the bid price; therefore, the property owner will be able to make an informed financial decision concerning redemption.

#### B. DELIVERY OF CERTIFICATES OF SALE

1. **ESCROW** Under Section 14-820 of the Tax-Property Article, the Collector is required to deliver to the Purchaser a certificate of sale dated as of the day of the sale. As an alternative the Purchaser can authorize the Collector to hold the certificate of sale in escrow for a period of four (4) months from the date of the certificate of sale to expedite the redemption of proceeds to the Purchaser. At the expiration of the 4-month period, the Collector will mail the unredeemed certificates of sale to the Purchaser at the address provided by the Purchaser herein, or at such other address as is provided in writing to the Collector. At any time prior to the expiration of the said 4-month period, the Purchaser may request, in writing, delivery of any unredeemed tax sale certificates held in escrow for the Purchaser. Said request shall contain the name of the Purchaser, the properties for which tax sale certificates were issued, and the address of the Purchaser, if different from the address provided at the end of this agreement.

2. **MAILING UPON ISSUANCE** If the Purchaser elects not to have a tax sale certificate held in escrow as provided in section IV.B.1 above, the Collector will mail the tax sale certificate to the Purchaser upon issuance of the certificate.

C. **EXPIRATION** Certificates of sale will expire two (2) years from the date of the certificate unless a proceeding to foreclose the right of redemption is filed prior to that time.

D. **VOIDED SALE** Whenever a tax sale on a property is voided for any reason, the Purchaser will be notified and advised not to pursue any further foreclosure action or to incur additional expenses. Reimbursement will be limited to the amount paid at the sale.

- E. **REDEMPTION**      The procedure for redemption of properties sold at tax sale is governed by state law set forth in Title 14, Subtitle 8 of the Tax-Property Article of the Maryland Annotated Code. The County does not provide legal advice to either the tax sale purchaser or the property owner on their respective rights under the law. Instead, you should either consult the state law or obtain independent legal advice on your rights and responsibilities under the law. **Nothing in the information provided herein is intended to constitute legal advice and should not be relied upon in determining your rights and liabilities under governing law.**

The undersigned acknowledges that the above TERMS OF THE 2009 TAX SALE has been read and understood by signing this agreement.

Acknowledged and agreed:

\_\_\_\_\_  
Bid Number

\_\_\_\_\_  
Bidder's Printed Name

\_\_\_\_\_  
Agent's Printed Name if different from Bidder's  
Printed Name

Bidder's mailing address:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State and Zip Code

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
E-mail Address

\_\_\_\_\_  
SSN or FEN

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bidder's/Authorized Agent's Signature

Purchaser hereby elects to have the Collector mail the tax sale certificates directly to the Purchaser upon issuance of the certificate pursuant to the terms of section IV.B.2 of this agreement.

For Office Use

*Deposit Information*

Check Number \_\_\_\_\_ Name on Check \_\_\_\_\_

Cash \_\_\_\_\_  Receipt No. \_\_\_\_\_

Employee Initials/Date

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3430 Court House Drive ∇ Ellicott City, MD. 21043 ∇ 410-313-2062 ∇ FAX 410-313-3293



DEPARTMENT OF FINANCE

Dear Tax Sale Bidder:

If your Company would like to tax sale reimbursements from Howard County in the form of an ACH credit directly to your business bank account, please fill in the information below and return the form as indicated.

Authorization Agreement for ACH Credits

I/We hereby authorize Howard County, Maryland, herein after called the County, to initiate credit entries and/or correction entries to our \_\_\_Checking \_\_\_Savings account (select one) indicated below at the depository named below, herein called Depository, to credit the same such account.

Depository (bank) Name \_\_\_\_\_

Bank Transit/ABA Number \_\_\_\_\_ Account Number \_\_\_\_\_

This authorization is to remain in full force until the County has received written notification from authorized signature(s) of its termination, in such time and in such manner as to afford Company and Depository reasonable opportunity to act upon it.

Name(s) \_\_\_\_\_ Tax ID Number \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

E-mail address \_\_\_\_\_ E-mail address \_\_\_\_\_

If you have any questions, call Diane Stewart at (410) 313-4059.