

**Article - Real Property**

3-104.

(c) (1) (I) The requirements for prepayment of personal property taxes in subsection (b) OF THIS SECTION do not apply to grants of land made [by]:

1. BY or on behalf of [any of the following:] any mortgagee, lien creditor, trustee of a deed of trust, judgment creditor, trustee in bankruptcy or receiver, and any other court-appointed officer in an insolvency or liquidation proceeding; OR

2. BY A DEED IN LIEU OF FORECLOSURE TO ANY HOLDER OF A MORTGAGE OR DEED OF TRUST OR TO THE HOLDER'S ASSIGNEE OR DESIGNEE.

(II) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AND EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, AFTER THE RECORDATION OF A DEED OR OTHER INSTRUMENT THAT EFFECTS A GRANT OF LAND DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE LAND SHALL BE FREE AND CLEAR OF, AND UNENCUMBERED BY, ANY LIEN OR CLAIM OF LIEN FOR ANY UNPAID TAXES ON PERSONAL PROPERTY.

(III) SUBPARAGRAPH (II) OF THIS PARAGRAPH DOES NOT APPLY TO:

1. ANY LIEN FOR UNPAID TAXES ON PERSONAL PROPERTY THAT ATTACHED TO THE LAND BY RECORDING AND INDEXING A NOTICE AS PROVIDED IN § 14-804(B) OF THE TAX - PROPERTY ARTICLE PRIOR TO THE RECORDING OF THE MORTGAGE, LIEN, DEED OF TRUST, OR OTHER ENCUMBRANCE GIVING RISE TO THE GRANT OF LAND DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH; OR

2. UNPAID TAXES ON PERSONAL PROPERTY OWED BY THE TRANSFEREE OR SUBSEQUENT OWNER OF THE LAND AFTER A GRANT OF LAND DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(IV) THIS PARAGRAPH DOES NOT AFFECT THE RIGHTS OF THE PERSONAL PROPERTY TAX LIENHOLDER TO MAKE A CLAIM TO ANY SURPLUS PROCEEDS FROM A JUDICIAL SALE OF LAND RESULTING IN A GRANT OF LAND DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2000 and shall apply to all liens or claims of liens for unpaid taxes on personal property in existence on or after July 1, 2000.

Approved May 18, 2000.