

# HOUSE BILL 1276

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By: **Delegates Palakovich Carr, Buckel, Cain, Ebersole, Hornberger, Mosby, Smith, Washington, and Wilkins**

Introduced and read first time: February 7, 2020

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **County Property Tax – Classifications of Real Property and Authority to Set**  
3 **Special Rates**

4 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the  
5 governing body of a county to set special property tax rates, under certain  
6 circumstances, for any subclass of real property that is subject to the county property  
7 tax; altering a certain limitation on the county tax rate applicable to personal  
8 property and certain operating real property; establishing certain subclasses of real  
9 property; providing for the application of this Act; and generally relating to special  
10 property tax rates for subclasses of real property that are subject to the county  
11 property tax.

12 BY repealing and reenacting, with amendments,

13 Article – Tax – Property  
14 Section 6–302 and 8–101(b)  
15 Annotated Code of Maryland  
16 (2019 Replacement Volume)

17 BY repealing and reenacting, without amendments,

18 Article – Tax – Property  
19 Section 8–101(a)  
20 Annotated Code of Maryland  
21 (2019 Replacement Volume)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
23 That the Laws of Maryland read as follows:

24 **Article – Tax – Property**

25 6–302.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) (1) Except as otherwise provided in this section and after complying with §  
2 6–305 of this subtitle, in each year after the date of finality and before the following July 1,  
3 the Mayor and City Council of Baltimore City or the governing body of each county annually  
4 shall set the tax rate for the next taxable year on all assessments of property subject to that  
5 county’s property tax.

6 (2) IF NOT OTHERWISE PROHIBITED UNDER THIS ARTICLE, THE  
7 MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A  
8 COUNTY MAY SET SPECIAL RATES FOR ANY SUBCLASS OF REAL PROPERTY THAT IS  
9 SUBJECT TO THE COUNTY PROPERTY TAX.

10 (b) (1) Except as provided in subsection (c) of this section, §§ 6–305 and 6–306  
11 of this subtitle and § 6–203 of this title AND UNLESS OTHERWISE PROVIDED BY THE  
12 MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A  
13 COUNTY:

14 (i) there shall be a single county property tax rate for all real  
15 property subject to county property tax except for operating real property described in §  
16 8–109(c) of this article; and

17 (ii) the county tax rate applicable to personal property and the  
18 operating real property described in § 8–109(c) of this article shall be no more than 2.5  
19 times the rate for real property.

20 (2) Paragraph (1) of this subsection does not affect a special rate prevailing  
21 in a taxing district or part of a county.

22 (c) (1) Intangible personal property is subject to county property tax as  
23 otherwise provided in this title at a rate set annually, if:

24 (i) the intangible personal property has paid interest or dividends  
25 during the 12 months that precede the date of finality;

26 (ii) interest or dividends were withheld on the intangible personal  
27 property during the 12 months that precede the date of finality to avoid the tax under this  
28 subsection;

29 (iii) the intangible personal property consists of newly issued bonds,  
30 certificates of indebtedness, or evidences of debt on which interest is not in default; or

31 (iv) a stock dividend has been declared on the intangible personal  
32 property during the 12 months that precede the date of finality.

33 (2) The county tax rate for the intangible personal property is 30 cents for  
34 each \$100 of assessment.

1 8–101.

2 (a) For assessment purposes, property shall be divided into classes and  
3 subclasses.

4 (b) Real property is a class of property and is divided into the following subclasses:

5 (1) land that is actively devoted to farm or agricultural use, assessed under  
6 § 8–209 of this title;

7 (2) marshland, assessed under § 8–210 of this title;

8 (3) woodland, assessed under § 8–211 of this title;

9 (4) land of a country club or golf course, assessed under §§ 8–212 through  
10 8–217 of this title;

11 (5) land that is used for a planned development, assessed under §§ 8–220  
12 through 8–225 of this title;

13 (6) rezoned real property that is used for residential purposes, assessed  
14 under §§ 8–226 through 8–228 of this title;

15 (7) operating real property of a railroad;

16 (8) operating real property of a public utility;

17 (9) property valued under § 8–105(a)(3) of this subtitle;

18 (10) conservation property, assessed under § 8–209.1 of this title; and

19 **(11) FOR REAL PROPERTY THAT IS NOT OTHERWISE SUBCLASSIFIED**  
20 **UNDER THIS SUBSECTION:**

21 **(I) SMALL COMMERCIAL REAL PROPERTY;**

22 **(II) LARGE COMMERCIAL REAL PROPERTY;**

23 **(III) INDUSTRIAL REAL PROPERTY;**

24 **(IV) RESIDENTIAL RENTAL PROPERTY THAT CONTAINS AT LEAST**  
25 **FOUR UNITS BUILT AS APARTMENTS;**

26 **(V) RESIDENTIAL CONDOMINIUM PROPERTY;**

1                   **(VI) COMMERCIAL OR INDUSTRIAL CONDOMINIUM PROPERTY;**

2                   **(VII) REAL PROPERTY THAT IS USED FOR BOTH RESIDENTIAL**  
3 **AND COMMERCIAL PURPOSES, IF THE PRIMARY USE IS RESIDENTIAL;**

4                   **(VIII) REAL PROPERTY THAT IS USED FOR BOTH RESIDENTIAL**  
5 **AND COMMERCIAL PURPOSES, IF THE PRIMARY USE IS COMMERCIAL;**

6                   **(IX) RESIDENTIAL TOWNHOUSE OR ROW HOUSE PROPERTY;**

7                   **(X) RESIDENTIAL REAL PROPERTY THAT HAS AT LEAST 5,000**  
8 **SQUARE FEET OF IMPROVEMENTS;**

9                   **(XI) REAL PROPERTY THAT:**

10                               **1. IS USED EXCLUSIVELY FOR RESIDENTIAL PURPOSES;**

11                               **2. HAS LESS THAN 5,000 SQUARE FEET OF**  
12 **IMPROVEMENTS; AND**

13                               **3. IS NOT AN APARTMENT, A CONDOMINIUM, A**  
14 **TOWNHOUSE, OR A ROW HOUSE;**

15                   **(XII) ABANDONED REAL PROPERTY; AND**

16                   **[(11)] (XIII) all other real property that is directed by this article to be**  
17 **assessed.**

18                   **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June**  
19 **1, 2020, and shall be applicable to all taxable years beginning after June 30, 2020.**