

HOUSE BILL 161

Q1

3lr0339

By: **Delegate Carr**

Introduced and read first time: January 18, 2013

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **County Property Taxes – Classes of Property – Special Rates and Limits**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the
4 governing body of a county to impose property tax on those classes of property
5 that it selects to be subject to property tax; providing that the county property
6 tax is imposed only on assessments made under certain provisions of law;
7 authorizing the Mayor and City Council of Baltimore City or the governing body
8 of a county to set special rates for any class of property that is subject to the
9 county property tax; setting a certain limit on the rate set for certain property;
10 requiring that certain revenue be distributed to a certain transportation fund;
11 authorizing a county governing body, for a certain purpose and under certain
12 circumstances, to set a property tax rate that is higher than the rate authorized
13 under the county's charter or to collect more property tax revenues than are
14 authorized under the county's charter, notwithstanding a certain provision of
15 law or any provision of the county's charter that places certain limits on that
16 county's property tax rate or revenues; providing for a certain exception to
17 certain requirements regarding county property tax rates; repealing certain
18 obsolete provisions of law; providing for the application of this Act; and
19 generally relating to authority for Baltimore City or a county to select certain
20 classes of property and set certain special tax rates for purposes of county
21 property taxation.

22 BY repealing

23 Article – Tax – Property

24 Section 6–202

25 Annotated Code of Maryland

26 (2012 Replacement Volume)

27 BY repealing and reenacting, with amendments,

28 Article – Tax – Property

29 Section 6–203 and 6–302

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2012 Replacement Volume)

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

5 **Article – Tax – Property**

6 [6–202.

7 The Mayor and City Council of Baltimore City or the governing body of a county
8 may impose property tax on the assessment of property that is subject to that county’s
9 property tax.]

10 6–203.

11 (a) Except as otherwise provided in this article, the **MAYOR AND CITY**
12 **COUNCIL OF BALTIMORE CITY OR THE** governing body of a **COUNTY OR OF A**
13 municipal corporation may impose [municipal corporation] property tax on those
14 classes of property that it selects to be subject to [municipal corporation] property tax.

15 (b) The **COUNTY PROPERTY TAX OR** municipal corporation property tax is
16 imposed only on assessments made under Title 8 of this article.

17 6–302.

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

23 **(2) (I) SUBJECT TO SUBPARAGRAPHS (II) AND (III) OF THIS**
24 **PARAGRAPH, IF NOT OTHERWISE PROHIBITED BY THIS ARTICLE, THE MAYOR**
25 **AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A**
26 **COUNTY MAY SET SPECIAL RATES FOR ANY CLASS OF PROPERTY THAT IS**
27 **SUBJECT TO THE COUNTY PROPERTY TAX.**

28 **(II) THE RATE SET FOR COMMERCIAL REAL PROPERTY MAY**
29 **NOT BE MORE THAN 1.25 TIMES THE RATE SET FOR RESIDENTIAL REAL**
30 **PROPERTY.**

31 **(III) SUBJECT TO THE ANNUAL BUDGET AND**
32 **APPROPRIATION PROCESSES OF EACH COUNTY AND THE CITY OF BALTIMORE,**
33 **ANY REVENUE ATTRIBUTABLE TO A SPECIAL RATE FOR ANY CLASS OF**

1 PROPERTY SHALL BE DISTRIBUTED TO THE TRANSPORTATION FUND OF THE
2 COUNTY.

3 (3) IN EXERCISING THE AUTHORITY GRANTED UNDER
4 PARAGRAPH (2) OF THIS SUBSECTION AND NOTWITHSTANDING § 5-104(D) OF
5 THE EDUCATION ARTICLE OR ANY PROVISION OF A COUNTY CHARTER THAT
6 PLACES ANY RESTRICTIONS ON THAT COUNTY'S PROPERTY TAX RATE,
7 RATE-SETTING, OR REVENUES, A COUNTY MAY SET A PROPERTY TAX RATE THAT
8 IS HIGHER THAN THE RATE AUTHORIZED UNDER THE COUNTY'S CHARTER OR
9 COLLECT MORE PROPERTY TAX REVENUES THAN THE REVENUES AUTHORIZED
10 UNDER THE COUNTY'S CHARTER.

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

15 (i) there shall be a single county property tax rate for all real
16 property subject to county property tax except for operating real property described in
17 § 8-109(c) of this article; and

18 (ii) the county tax rate applicable to personal property and the
19 operating real property described in § 8-109(c) of this article [for taxable years
20 beginning after June 30, 2001] shall be 2.5 times the rate for RESIDENTIAL real
21 property.

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

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

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

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

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

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

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

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 June 1, 2013, and shall be applicable to all taxable years beginning after June 30,
5 2013.