

## Chapter 277

## (House Bill 2)

AN ACT concerning

**Baltimore City – Property Taxes – Authority of Counties to Establish a Subclass and Set a Special Rate for Vacant and Abandoned Property**

FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the governing body of a county to establish, by law, a subclass of real property consisting of certain vacant and abandoned property and to set a special property tax rate for certain vacant and abandoned property; and generally relating to a special property tax rate for vacant and abandoned property.

BY adding to

Article – Tax – Property

Section 6–202.1

Annotated Code of Maryland

(2019 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 6–302

Annotated Code of Maryland

(2019 Replacement Volume and 2023 Supplement)

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

**Article – Tax – Property**

**6–202.1.**

**THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY MAY ESTABLISH, BY LAW, A SUBCLASS OF REAL PROPERTY CONSISTING OF VACANT LOTS OR IMPROVED PROPERTY CITED AS VACANT AND UNFIT FOR HABITATION OR OTHER AUTHORIZED USE ON A HOUSING OR BUILDING VIOLATION NOTICE.**

6–302.

(a) Except as otherwise provided in this section and after complying with § 6–305 of this subtitle, in each year after the date of finality and before the following July 1, the Mayor and City Council of Baltimore City or the governing body of each county annually

shall set the tax rate for the next taxable year on all assessments of property subject to that county's property tax.

(b) (1) Except as provided in subsection (c) of this section[,] AND §§ 6–305 and 6–306 of this subtitle [and § 6–203 of this title]:

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

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

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

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

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

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

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

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

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

**(C) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY MAY SET A SPECIAL RATE FOR A VACANT LOT OR IMPROVED PROPERTY CITED AS VACANT AND UNFIT FOR HABITATION OR OTHER AUTHORIZED USE ON A HOUSING OR BUILDING VIOLATION NOTICE.**

**(2) ON OR BEFORE DECEMBER 1 EACH YEAR, THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY THAT ENACTS A SPECIAL RATE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL REPORT TO THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND,**

IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON:

- (I) THE SPECIAL RATE SET UNDER PARAGRAPH (1) OF THIS SUBSECTION;
- (II) THE NUMBER OF PROPERTIES TO WHICH THE SPECIAL RATE APPLIES;
- (III) THE REVENUE CHANGE RESULTING FROM THE SPECIAL RATE;
- (IV) THE USE OF THE REVENUE FROM THE SPECIAL RATE; AND
- (V) WHETHER PROPERTIES SUBJECT TO THE SPECIAL RATE ARE VIABLE FOR ADAPTIVE REUSE, AS DEFINED IN § 1-102 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE, AND PLANS TO CONVERT VIABLE PROPERTIES.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2024, and shall be applicable to all taxable years beginning after June 30, 2024.

Approved by the Governor, April 25, 2024.