

# HOUSE BILL 457

Q6

3lr2698  
CF SB 65

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By: **Delegates Embry, Amprey, Boaf, Boyce, Henson, Kaufman, and Palakovich Carr**

Introduced and read first time: January 30, 2023

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Recordation Tax – Purchase Money Mortgage or Purchase Money Deed of Trust**  
3 **– Extent of Exemption**

4 FOR the purpose of providing that the exemption from the recordation tax for a purchase  
5 money mortgage or purchase money deed of trust applies only to the extent that the  
6 purchase money mortgage or purchase money deed of trust secures purchase money;  
7 and generally relating to recordation tax exemptions.

8 BY repealing and reenacting, with amendments,  
9 Article – Tax – Property  
10 Section 12–108(i)  
11 Annotated Code of Maryland  
12 (2019 Replacement Volume and 2022 Supplement)

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

15 **Article – Tax – Property**

16 12–108.

17 (i) (1) In this subsection, “purchase money mortgage” or “purchase money  
18 deed of trust” means a mortgage or deed of trust that:

19 (i) is given by the transferee of real property with respect to the  
20 property purchased;

21 (ii) is delivered as part of the same transaction as the instrument of  
22 writing that transfers the property purchased and that is subject to the recordation tax;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) recites on its face that it secures, in whole or in part, the purchase  
2 money for the property or otherwise recites on its face that it is a purchase money mortgage  
3 or purchase money deed of trust;

4 (iv) is fully executed within 30 days of the date that the instrument  
5 of writing transferring the property is fully executed; and

6 (v) is recorded no later than 30 days after the date that the  
7 instrument of writing transferring the property is duly recorded.

8 (2) For the purpose of this subsection, the date that an instrument is fully  
9 executed is the later of:

10 (i) the date of the last acknowledgment; or

11 (ii) the date on the instrument of writing.

12 (3) A purchase money mortgage or a purchase money deed of trust is not  
13 subject to recordation tax **TO THE EXTENT THAT IT SECURES PURCHASE MONEY.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
15 1, 2023.