

SENATE BILL 10

Q1

11r0555

By: **Senator Kelley**

Introduced and read first time: January 14, 2011

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Personal Property Tax – Property Located in a Residence – Exemption**

3 FOR the purpose of providing an exemption from valuation and property taxation for
4 personal property used in connection with a business, occupation, or profession
5 and located at an individual's principal residence subject to certain limitations;
6 and generally relating to the valuation and taxation of personal property.

7 BY repealing and reenacting, with amendments,
8 Article – Tax – Property
9 Section 7–227
10 Annotated Code of Maryland
11 (2007 Replacement Volume and 2010 Supplement)

12 BY adding to
13 Article – Tax – Property
14 Section 7–227.1
15 Annotated Code of Maryland
16 (2007 Replacement Volume and 2010 Supplement)

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

19 **Article – Tax – Property**

20 7–227.

21 (a) Except for personal property used in connection with a business,
22 occupation, or profession, personal property owned by an individual and located at the
23 individual's place of residence is not subject to valuation or to property tax.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) Notwithstanding subsection (a) of this section, personal property is not
2 subject to valuation or to property tax if the personal property is:

3 (1) owned by an individual;

4 (2) located at the individual's place of residence; and

5 (3) used in connection with a family day care home that is registered
6 under Title 5, Subtitle 5, Part V of the Family Law Article.

7 [(c) Notwithstanding subsection (a) of this section, personal property is not
8 subject to valuation or to property tax if:

9 (1) the personal property is owned by an individual and is used in
10 connection with a business, occupation, or profession that is located at the individual's
11 principal residence; and

12 (2) the sum total of the personal property, excluding vehicles exempt
13 under § 7-230 of this subtitle, had a total original cost of less than \$10,000.]

14 **7-227.1.**

15 **PERSONAL PROPERTY IS NOT SUBJECT TO VALUATION OR TO PROPERTY**
16 **TAX IF:**

17 **(1) THE PERSONAL PROPERTY IS USED IN CONNECTION WITH A**
18 **BUSINESS, OCCUPATION, OR PROFESSION THAT IS LOCATED AT AN**
19 **INDIVIDUAL'S PRINCIPAL RESIDENCE; AND**

20 **(2) THE SUM TOTAL OF THE PERSONAL PROPERTY USED IN**
21 **CONNECTION WITH THE BUSINESS, OCCUPATION, OR PROFESSION, EXCLUDING**
22 **VEHICLES EXEMPT UNDER § 7-230 OF THIS SUBTITLE, HAD A TOTAL ORIGINAL**
23 **COST OF LESS THAN \$10,000.**

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 June 1, 2011, and shall be applicable to all taxable years beginning after June 30,
26 2011.