

Chapter 328

(Senate Bill 274)

AN ACT concerning

Property Tax – Exemptions for Business Personal Property – Alterations

FOR the purpose of altering eligibility for exemptions from the personal property tax for personal property of a home business or ~~valued~~ personal property with a total original cost below a certain amount; prohibiting the State Department of Assessments and Taxation, under certain circumstances, from collecting certain information or requiring the submission of a personal property tax return from certain businesses that qualify for certain personal property tax exemptions; and generally relating to the personal property tax.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 7–227 and 7–245

Annotated Code of Maryland

(2019 Replacement Volume and 2021 Supplement)

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

Article – Tax – Property

7–227.

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

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

(1) owned by an individual;

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

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

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

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

[(2)] (II) the sum total of the personal property, excluding vehicles exempt under § 7-230 of this subtitle, ~~had a total original cost~~ ~~HAS A VALUE~~ of less than ~~[\$10,000]~~ **\$20,000**.

(2) IF THE INDIVIDUAL ATTESTS TO OWNING A SUM TOTAL OF PERSONAL PROPERTY WITH AN ORIGINAL COST OF LESS THAN \$20,000 ~~IN PERSONAL PROPERTY~~, THE DEPARTMENT MAY NOT:

(I) COLLECT PERSONAL PROPERTY INFORMATION FROM THE INDIVIDUAL; OR

(II) REQUIRE THE INDIVIDUAL TO SUBMIT A PERSONAL PROPERTY TAX RETURN.

7-245.

(A) A person's personal property is not subject to valuation or to property tax if all of the person's personal property statewide ~~had a total original cost~~ ~~HAS A VALUE~~ of less than ~~[\$2,500]~~ **\$20,000**.

(B) IF THE PERSON ATTESTS TO OWNING A SUM TOTAL OF PERSONAL PROPERTY WITH AN ORIGINAL COST OF LESS THAN \$20,000 ~~IN PERSONAL PROPERTY STATEWIDE~~, THE DEPARTMENT MAY NOT:

(1) COLLECT PERSONAL PROPERTY INFORMATION FROM THE PERSON; OR

(2) REQUIRE THE PERSON TO SUBMIT A PERSONAL PROPERTY TAX RETURN.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2022, and shall be applicable to all taxable years beginning after June 30, 2022.

Approved by the Governor, May 12, 2022.