

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 1294 (Delegate Brown)

Economic Matters

Real Property - Grants of Property - Business Trusts

This bill excludes business trusts, as defined under State corporations law, from certain provisions of State real property law. State real property law provides that a grant of property by deed to a grantee designated in the deed as a trust has the same effect as if the grantor had granted the property to the trustee or trustees appointed and acting for the trust on the effective date of the deed. The bill specifies that business trusts would not be subject to the above real property provisions, which are intended to apply to testamentary or *inter vivos* trusts.

Fiscal Summary

State Effect: None.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Current law does not distinguish among the types of trusts subject to the real property provision discussed above.

Background: Chapter 452 of 1999 created the right to form a statutory business trust in Maryland. This bill clarifies that business trusts are excluded from the existing real property provision because, like the trusts already excluded, statutory business trusts have the capacity to receive real property.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Assessments and Taxation, Registers of Wills, Department of Legislative Services

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