

(PRE-FILED)

By: **Chairman, Budget and Taxation Committee (Departmental -
Assessments and Taxation)**

Requested: October 19, 2001

Introduced and read first time: January 9, 2002

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: January 15, 2002

CHAPTER 120

1 AN ACT concerning

2 **Supervisors of Assessments - Personal Property Assessments**

3 FOR the purpose of repealing references to Supervisors of Assessments with regard to
4 the assessment of personal property and related appeals; clarifying the
5 responsibilities and authority of the Department of Assessments and Taxation
6 with regard to personal property assessments; requiring the Department to
7 certify certain assessment information to local governments; and generally
8 relating to the assessment of personal property.

9 BY repealing and reenacting, with amendments,
10 Article - Tax - Property
11 Section 3-107(a), 8-107, 8-204, 8-415, 8-418(a), 8-419, 8-421, 11-102,
12 14-401(a), and 14-503
13 Annotated Code of Maryland
14 (2001 Replacement Volume and 2001 Supplement)

15 BY repealing and reenacting, without amendments,
16 Article - Tax - Property
17 Section 8-201
18 Annotated Code of Maryland
19 (2001 Replacement Volume and 2001 Supplement)

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

1

Article - Tax - Property

2 3-107.

- 3 (a) Each board has jurisdiction in its county over appeals concerning:
- 4 (1) real property values and assessments;
- 5 (2) [personal property valued by the supervisors;
- 6 (3)] credits for elderly or disabled renters under § 9-102 of this article;
- 7 [(4)] (3) credits for homeowners under §§ 9-104 and 9-105 of this
8 article;
- 9 [(5)] (4) credits for elderly or disabled homeowners under § 9-101 of this
10 article;
- 11 [(6)] (5) credits authorized under § 9-222 of this article for real property
12 leased to a religious group or religious organization;
- 13 [(7)] (6) the value of easements under § 2-511 of the Agriculture Article;
14 or
- 15 [(8)] (7) the rejection of an application for a property tax exemption as
16 provided by § 7-103 and Title 14, Subtitle 5 of this article.

17 8-107.

18 (a) Except as provided under § 8-110 of this subtitle, the value of personal
19 property shall be its value on the date of finality.

20 (b) In valuing any personal property acquired by purchase, lease purchase, or
21 other similar agreement for transfer of title to the personal property after a period of
22 its use, the Department [or supervisor] shall consider any sum that is paid to acquire
23 the personal property.

24 8-201.

25 The Department shall assess:

- 26 (1) operating property of a railroad or a public utility;
- 27 (2) business tangible personal property that is subject to property tax;
28 and
- 29 (3) distilled spirits, as set forth in § 8-112 of this title.

30 8-204.

31 (a) Personal property subject to assessment shall be assessed annually.

1 (b) The assessment of personal property for the date of finality is based on:

2 (1) information required to be included in the report to be filed under §
3 11-101 of this article by April 15 following the date of finality; or

4 (2) if a report is not filed or is incomplete, any available information that
5 the Department [or supervisor] has.

6 8-415.

7 The owner of property may submit a petition for review:

8 (1) for real property, as provided by § 14-503(a) of this article; and

9 (2) for personal property, as provided by [§§ 14-503(b) and] § 14-505 of
10 this article.

11 8-418.

12 (a) After any personal property that is subject to assessment by § 8-417(d) of
13 this subtitle as escaped property is assessed, the Department [or the supervisor]
14 shall determine if:

15 (1) the owner failed to report accurately the cost or other information as
16 to the escaped property; and

17 (2) the failure to report accurately caused the escaped property to be
18 assessed at less than its value.

19 8-419.

20 (a) (1) In this subsection, "appropriate official" means:

21 (i) except as otherwise provided in this paragraph, the
22 DEPARTMENT OR supervisor and the county OR MUNICIPAL CORPORATION treasurer;

23 (ii) in Baltimore City, the DEPARTMENT OR supervisor and the city
24 solicitor;

25 (iii) in Montgomery County, the DEPARTMENT OR supervisor and
26 the director of finance; and

27 (iv) for municipal corporations in Caroline County, the
28 DEPARTMENT OR supervisor and the appropriate town board.

29 (2) Notwithstanding failure to file a protest of an assessment and after
30 the date of finality for an assessment, the appropriate official may issue an order
31 decreasing or abating an assessment:

32 (i) to correct an erroneous assessment;

1 (ii) to correct an improper assessment; and

2 (iii) to prevent injustice.

3 (b) The order shall state clearly the reasons for decreasing or abating the
4 assessment.

5 (c) (1) The Department [or supervisor] may audit any personal property
6 assessment after the assessment is made.

7 (2) If, as a result of the audit, the Department [or supervisor]
8 determines that the assessment is:

9 (i) greater than the assessment previously made, the Department
10 [or supervisor] shall make an assessment of the difference; or

11 (ii) less than the assessment previously made, the Department [or
12 supervisor] shall abate the difference.

13 (3) If action is taken under paragraph (2) of this subsection, the
14 Department [or supervisor] shall mail a notice of assessment to the owner. The
15 notice may be appealed as provided by Title 14, Subtitle 5 of this article.

16 8-421.

17 (a) When a supervisor delivers the assessments to a collector, the
18 [supervisors] SUPERVISOR shall also submit to the Comptroller and the Department
19 a statement under oath that shows the assessments of all REAL property in the
20 county EXCEPT OPERATING REAL PROPERTY [allocated by the:

21 (1) assessments of all real property; and

22 (2) assessments of all personal property].

23 (b) The form of the certification is determined by the Comptroller and the
24 Department.

25 (C) THE DEPARTMENT SHALL CERTIFY ASSESSMENTS OF PERSONAL
26 PROPERTY AND OPERATING PROPERTY TO THE COUNTY OR MUNICIPAL
27 CORPORATION TAX COLLECTOR AS SOON AS PRACTICAL AFTER MAKING THOSE
28 ASSESSMENTS.

29 (D) THE FORM OF THE PERSONAL PROPERTY AND OPERATING PROPERTY
30 CERTIFICATION IS DETERMINED BY THE DEPARTMENT.

31 11-102.

32 (a) [A supervisor] THE DEPARTMENT may require a person to submit to the
33 [supervisor] DEPARTMENT a report that contains the information listed in subsection
34 (b) of this section, if the person:

1 (1) moves personal property to any county or municipal corporation from
2 the county or municipal corporation where it was assessed;

3 (2) moves personal property from outside this State to a county or
4 municipal corporation inside this State; or

5 (3) possesses, cares for, or manages any personal property that:

6 (i) is not assessed; or

7 (ii) the [supervisor] DEPARTMENT suspects is not assessed.

8 (b) The report shall contain:

9 (1) a list of:

10 (i) all personal property assessable by the [supervisor]
11 DEPARTMENT; and

12 (ii) all personal property assessable but not previously assessed by
13 the [supervisor] DEPARTMENT that the person possesses, cares for, or manages; and

14 (2) the name of each person who owns an item of the personal property.
15 14-401.

16 (a) If a person fails to submit the reports required in § 11-101 or § 11-102 of
17 this article, the Department [or supervisor] shall value the person's personal
18 property based on any information the Department [or supervisor] can obtain and
19 assess the personal property at not more than twice the estimated value.

20 14-503.

21 (a) A taxpayer, a county, a municipal corporation, or the Attorney General may
22 appeal the value or classification of the real property by submitting a petition for
23 review to the supervisor on or before the date of finality for the next taxable year.

24 [(b) For personal property assessed by a supervisor, the owner who reported
25 cost or market information for the property under § 11-101 or § 11-102 of this article
26 to the supervisor but failed to report the information accurately may appeal the value
27 or classification of the personal property in the notice of assessment by submitting a
28 petition for review to the supervisor if:

29 (1) the owner claims that the personal property is valued at a higher
30 value than if the information had been reported accurately; and

31 (2) the appeal is made on or before 3 years from the date of the final
32 notice of assessment.]

1 [~~(c)~~] (B) If the requirements of subsection (a) [~~or (b)~~] of this section are met,
2 the supervisor or the supervisor's designee shall hold a hearing as provided under §
3 14-510 of this subtitle.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2002.