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By: **Chairman, Ways and Means Committee (By Request - Departmental - Assessments and Taxation)**

Introduced and read first time: February 6, 2006

Assigned to: Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 14, 2006

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Property Tax Assessment - Agricultural Use Property - Elderly or Disabled**  
3 **Property Owner**

4 FOR the purpose of altering a certain exception to a certain requirement for certain  
5 land to qualify for agricultural use assessment for property tax purposes;  
6 authorizing the Director of Assessments and Taxation to grant a waiver of  
7 certain requirements under certain circumstances to an elderly or disabled  
8 property owner to continue to remain eligible for an agricultural use  
9 assessment; providing for the application of this Act; and generally relating to  
10 agricultural use assessments.

11 BY repealing and reenacting, with amendments,  
12 Article - Tax - Property  
13 Section 8-209(g)(7)  
14 Annotated Code of Maryland  
15 (2001 Replacement Volume and 2005 Supplement)

16 BY adding to  
17 Article - Tax - Property  
18 Section 8-209(i)  
19 Annotated Code of Maryland  
20 (2001 Replacement Volume and 2005 Supplement)

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

1 **Article - Tax - Property**

2 8-209.

3 (g) (7) The gross income requirement of paragraph (2) of this subsection  
4 does not apply[:5 (i) if the owner is at least 70 years of age and applies for waiver of  
6 the gross income requirement as to land that was assessed on July 1, 1984, on the  
7 basis of farm or agricultural use under the law or regulations of the Department that  
8 were in effect on or before that date;9 (ii) if the owner becomes disabled and is unable to continue the  
10 farm or agricultural use of the land and applies for waiver of the gross income  
11 requirement as to land that is assessed on the basis of farm or agricultural use; or

12 (iii)] if the land is actively used as a family farm unit.

13 (I) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE  
14 MEANINGS INDICATED.15 (II) "SURVIVING SPOUSE" MEANS THE SURVIVING SPOUSE OF THE  
16 PROPERTY OWNER WHO APPLIED FOR THE WAIVER UNDER THIS SUBSECTION IF THE  
17 SURVIVING SPOUSE HAS NOT REMARRIED AND HAD A LEGAL INTEREST IN THE  
18 PROPERTY AT THE TIME OF THE APPLICATION FOR THE WAIVER.19 (III) "3-YEAR CYCLE" HAS THE MEANING STATED IN § 8-103 OF THIS  
20 TITLE.21 (2) THE DIRECTOR MAY GRANT A WAIVER FROM THE REQUIREMENTS OF  
22 SUBSECTION (E) OR (G) OF THIS SECTION IF:

23 (I) THE PROPERTY OWNER IS AT LEAST 70 YEARS OF AGE;

24 (II) THE PROPERTY OWNER APPLIES TO THE DEPARTMENT FOR A  
25 WAIVER OF THE REQUIREMENTS OF EITHER SUBSECTION (E) OR (G) OF THIS  
26 SECTION;27 (III) THE LAND HAS NOT CHANGED OWNERSHIP DURING THE TWO  
28 PREVIOUS 3-YEAR CYCLES; AND29 (IV) THE LAND HAS BEEN ASSESSED FOR AT LEAST THE TWO  
30 PREVIOUS 3-YEAR CYCLES ON THE BASIS OF FARM OR AGRICULTURAL USE UNDER  
31 THE LAW OR REGULATIONS OF THE DEPARTMENT THAT WERE IN EFFECT ~~ON OR~~  
32 ~~BEFORE THAT DATE~~ AS OF THE DATE OF THE APPLICATION.33 (3) THE DIRECTOR MAY GRANT A WAIVER FROM THE REQUIREMENTS OF  
34 SUBSECTION (E) OR (G) OF THIS SECTION IF:35 (I) THE PROPERTY OWNER BECOMES DISABLED AND IS UNABLE  
36 TO CONTINUE THE FARM OR AGRICULTURAL USE OF THE LAND;

1 (II) THE PROPERTY OWNER APPLIES TO THE DEPARTMENT FOR A  
2 WAIVER OF THE REQUIREMENTS OF EITHER SUBSECTION (E) OR (G) OF THIS  
3 SECTION; ~~AND~~

4 (III) THE PROPERTY OWNER ENGAGED IN FARM OR AGRICULTURAL  
5 USE ACTIVITIES ON THE LAND PRIOR TO THE DISABILITY; AND

6 (IV) THE LAND HAS BEEN ASSESSED FOR AT LEAST THE TWO  
7 PREVIOUS 3-YEAR CYCLES ON THE BASIS OF FARM OR AGRICULTURAL USE UNDER  
8 THE LAW OR REGULATIONS OF THE DEPARTMENT THAT WERE IN EFFECT AS OF THE  
9 DATE OF THE APPLICATION.

10 (4) ANY WAIVER GRANTED UNDER THIS SUBSECTION SHALL BE IN  
11 EFFECT UNTIL:

12 (I) THE TRANSFER OF THE PROPERTY; OR

13 (II) THE LATER OF THE DEATH OF THE PROPERTY OWNER WHO  
14 RECEIVED THE WAIVER OR THE DEATH OF THE SURVIVING SPOUSE.

15 (5) THE DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THE  
16 PROVISIONS OF THIS SUBSECTION.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
18 effect July 1, 2006, and shall be applicable to all taxable years beginning after June  
19 30, 2006.