

HOUSE BILL 798

Q2

11r2631

By: **Delegates McConkey and George**
Introduced and read first time: February 11, 2011
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Anne Arundel County – Property Tax Payment Deferral – Eligibility**

3 FOR the purpose of authorizing the governing body of Anne Arundel County to
4 provide, by law, a certain payment deferral of the county property tax for
5 certain residential real property; requiring the governing body of Anne Arundel
6 County under certain circumstances to specify the duration and certain
7 amounts, restrictions, and income eligibility requirements for the payment
8 deferral; requiring the payment of certain deferred property taxes under certain
9 circumstances; requiring the governing body of Anne Arundel County under
10 certain circumstances to provide certain information in a taxpayer's annual
11 property tax bill; requiring that a payment deferral be authorized by a certain
12 written agreement to be recorded in certain land records; providing for a certain
13 lien attachment under certain circumstances; providing for the application of
14 this Act; and generally relating to property tax deferrals in Anne Arundel
15 County for certain residential real property.

16 BY adding to

17 Article – Tax – Property
18 Section 10–204.6
19 Annotated Code of Maryland
20 (2007 Replacement Volume and 2010 Supplement)

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

23 **Article – Tax – Property**

24 **10–204.6.**

25 **(A) NOTWITHSTANDING SUBTITLE 1 OF THIS TITLE, THE GOVERNING**
26 **BODY OF ANNE ARUNDEL COUNTY MAY AUTHORIZE, BY LAW, A PAYMENT**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 DEFERRAL OF THE COUNTY PROPERTY TAX FOR RESIDENTIAL REAL PROPERTY
2 OCCUPIED AS THE PRINCIPAL RESIDENCE OF THE OWNER.

3 (B) AN OWNER IS ELIGIBLE FOR A PAYMENT DEFERRAL UNDER
4 SUBSECTION (A) OF THIS SECTION IF THE OWNER OR AT LEAST ONE OF THE
5 OWNERS:

6 (1) HAS RESIDED IN THE DWELLING FOR A PERIOD OF AT LEAST 5
7 CONSECUTIVE YEARS;

8 (2) (I) IS AT LEAST 62 YEARS OF AGE;

9 (II) HAS BEEN FOUND PERMANENTLY AND TOTALLY
10 DISABLED AND HAS QUALIFIED FOR BENEFITS UNDER:

11 1. THE SOCIAL SECURITY ACT;

12 2. THE RAILROAD RETIREMENT ACT;

13 3. ANY FEDERAL ACT FOR MEMBERS OF THE UNITED
14 STATES ARMED FORCES; OR

15 4. ANY FEDERAL RETIREMENT SYSTEM; OR

16 (III) HAS BEEN FOUND PERMANENTLY AND TOTALLY
17 DISABLED BY A COUNTY HEALTH OFFICER OR THE BALTIMORE CITY
18 COMMISSIONER OF HEALTH; AND

19 (3) MEETS THE INCOME ELIGIBILITY REQUIREMENTS
20 DETERMINED UNDER SUBSECTION (C) OF THIS SECTION.

21 (C) IF THE GOVERNING BODY OF ANNE ARUNDEL COUNTY AUTHORIZES
22 A PAYMENT DEFERRAL UNDER THIS SECTION, THE GOVERNING BODY SHALL
23 SPECIFY:

24 (1) THE AMOUNT OF THE TAX THAT MAY BE DEFERRED, NOT
25 EXCEEDING THE INCREASE IN THE COUNTY PROPERTY TAX FROM THE DATE THE
26 TAXPAYER ELECTS TO DEFER THE PAYMENT OF THE TAX;

27 (2) THE DURATION OF THE PAYMENT DEFERRAL UNDER
28 SUBSECTION (A) OF THIS SECTION;

29 (3) RESTRICTIONS ON THE AMOUNT OF THE REAL PROPERTY
30 ELIGIBLE FOR A PAYMENT DEFERRAL, EXCEPT THAT THE AMOUNT OF ELIGIBLE

1 PROPERTY MAY NOT BE LESS THAN THE DWELLING AND CURTILAGE, AS
2 DETERMINED BY THE SUPERVISOR;

3 (4) THE RATE OF INTEREST TO BE PAID ON THE COUNTY
4 PROPERTY TAX PAYMENT FROM THE DUE DATE WITHOUT A DEFERRAL UNTIL
5 THE DATE THAT THE COUNTY PROPERTY TAX IS PAID;

6 (5) THAT ANY MORTGAGEE OR BENEFICIARY UNDER A DEED OF
7 TRUST BE ENTITLED TO RECEIVE NOTICE OF THE DEFERRAL AND OF THE
8 AMOUNT OF TAX TO BE DEFERRED; AND

9 (6) THE LEVEL OF INCOME TO DETERMINE ELIGIBILITY FOR THE
10 PAYMENT DEFERRAL.

11 (D) THE COUNTY PROPERTY TAX THAT IS DEFERRED UNDER THIS
12 SECTION AND ANY INTEREST SPECIFIED IN SUBSECTION (C)(4) OF THIS SECTION
13 ARE DUE:

14 (1) WHEN THE DEFERRAL ENDS AS SPECIFIED IN SUBSECTION
15 (C)(2) OF THIS SUBSECTION;

16 (2) WHEN THE ELIGIBLE OWNER DIES; OR

17 (3) IMMEDIATELY ON TRANSFER OF OWNERSHIP OF THE
18 PROPERTY FOR WHICH THE PROPERTY TAX HAS BEEN DEFERRED.

19 (E) THE GOVERNING BODY OF ANNE ARUNDEL COUNTY SHALL SPECIFY
20 THE CUMULATIVE AMOUNT OF THE DEFERRAL AND RELATED INTEREST IN THE
21 TAXPAYER'S ANNUAL PROPERTY TAX BILL.

22 (F) (1) A LIEN SHALL ATTACH TO THE PROPERTY IN THE AMOUNT OF
23 ALL DEFERRED TAXES AND INTEREST.

24 (2) THE LIEN SHALL REMAIN ATTACHED UNTIL THE DEFERRED
25 TAXES AND INTEREST ARE PAID.

26 (G) (1) THE GOVERNING BODY OF ANNE ARUNDEL COUNTY SHALL
27 AUTHORIZE THE DEFERRAL BY WRITTEN AGREEMENT.

28 (2) THE AGREEMENT SHALL REFLECT THE TERMS AND
29 CONDITIONS OF THE DEFERRAL, INCLUDING NOTICE OF THE LIEN.

30 (3) THE AGREEMENT SHALL BE RECORDED IN THE LAND
31 RECORDS OF THE COUNTY.

1 **(H) PENALTIES MAY NOT BE CHARGED DURING THE PERIOD OF THE**
2 **DEFERRAL ON ANY TAX PAYMENTS DEFERRED UNDER THIS SECTION.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 June 1, 2011, and shall be applicable to all taxable years beginning after June 30,
5 2011.