

HOUSE BILL 135

C1, Q1

6lr1262

By: **Delegates Atterbeary and Turner**

Introduced and read first time: January 20, 2016

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Annual Reports and Personal Property Reports – Fees, Exemption, and**
3 **Affidavit**

4 FOR the purpose of altering the fee that certain business entities must pay for filing a
5 required annual report with the State Department of Assessments and Taxation;
6 exempting a person who did not own certain property during the preceding calendar
7 year from submitting a report on personal property to the Department; requiring the
8 person to submit a certain affidavit to the Department on or before a certain date;
9 specifying the form and contents of the affidavit; providing that the affidavit may be
10 submitted electronically to the Department; authorizing a person who has filed a
11 certain affidavit with the Department to file an amended report within a certain time
12 period under certain circumstances; providing for the application of this Act; and
13 generally relating to certain reports filed with the State Department of Assessments
14 and Taxation.

15 BY repealing and reenacting, with amendments,
16 Article – Corporations and Associations
17 Section 1–203(b)(3)(ii)
18 Annotated Code of Maryland
19 (2014 Replacement Volume and 2015 Supplement)

20 BY adding to
21 Article – Corporations and Associations
22 Section 1–203(b)(3)(iii) and (iv)
23 Annotated Code of Maryland
24 (2014 Replacement Volume and 2015 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – Tax – Property
27 Section 11–101 and 11–103(a)
28 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2012 Replacement Volume and 2015 Supplement)

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

Article – Corporations and Associations

1–203.

(b) (3) (ii) For each of the following documents which are filed but not recorded, the filing fee is as [indicated:

Annual report of a Maryland corporation, except a charitable or benevolent institution, nonstock corporation, savings and loan corporation, credit union, family farm, and banking institution..... \$300

Annual report of a foreign corporation subject to the jurisdiction of this State, except a national banking association, savings and loan association, credit union, nonstock corporation, and charitable and benevolent institution..... \$300

Annual report of a Maryland savings and loan association, banking institution, or credit union or of a foreign savings and loan association, national banking association, or credit union that is subject to the jurisdiction of this State \$300

Annual report of a Maryland limited liability company, limited liability partnership, limited partnership, or of a foreign limited liability company, foreign limited liability partnership, or foreign limited partnership, except a family farm..... \$300

Annual report of a business trust..... \$300

Annual report of a real estate investment trust or foreign statutory trust doing business in this State \$300

Annual report of a family farm \$100]

PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH:

1. ANNUAL REPORT OF A MARYLAND CORPORATION, EXCEPT A CHARITABLE OR BENEVOLENT INSTITUTION, NONSTOCK CORPORATION, SAVINGS AND LOAN CORPORATION, CREDIT UNION, FAMILY FARM, AND BANKING INSTITUTION;

1 **2. ANNUAL REPORT OF A FOREIGN CORPORATION**
2 **SUBJECT TO THE JURISDICTION OF THIS STATE, EXCEPT A NATIONAL BANKING**
3 **ASSOCIATION, SAVINGS AND LOAN ASSOCIATION, CREDIT UNION, NONSTOCK**
4 **CORPORATION, AND CHARITABLE AND BENEVOLENT INSTITUTION;**

5 **3. ANNUAL REPORT OF A MARYLAND SAVINGS AND**
6 **LOAN ASSOCIATION, BANKING INSTITUTION, OR CREDIT UNION OR OF A FOREIGN**
7 **SAVINGS AND LOAN ASSOCIATION, NATIONAL BANKING ASSOCIATION, OR CREDIT**
8 **UNION THAT IS SUBJECT TO THE JURISDICTION OF THIS STATE;**

9 **4. ANNUAL REPORT OF A MARYLAND LIMITED**
10 **LIABILITY COMPANY, LIMITED LIABILITY PARTNERSHIP, LIMITED PARTNERSHIP, OR**
11 **OF A FOREIGN LIMITED LIABILITY COMPANY, FOREIGN LIMITED LIABILITY**
12 **PARTNERSHIP, OR FOREIGN LIMITED PARTNERSHIP, EXCEPT A FAMILY FARM;**

13 **5. ANNUAL REPORT OF A BUSINESS TRUST; AND**

14 **6. ANNUAL REPORT OF A REAL ESTATE INVESTMENT**
15 **TRUST OR FOREIGN STATUTORY TRUST DOING BUSINESS IN THIS STATE.**

16 **(III) FOR EACH ANNUAL REPORT LISTED IN SUBPARAGRAPH (II)**
17 **OF THIS PARAGRAPH, IF DURING THE PRECEDING CALENDAR YEAR THE BUSINESS**
18 **ENTITY TO WHICH THE ANNUAL REPORT RELATES:**

19 **1. DID NOT OWN PERSONAL PROPERTY THAT IS**
20 **SUBJECT TO PROPERTY TAX, THE FILING FEE IS \$75;**

21 **2. OWNED PERSONAL PROPERTY THAT IS SUBJECT TO**
22 **PROPERTY TAX WITH AN ASSESSED VALUE OF \$10,000 OR LESS, THE FILING FEE IS**
23 **\$150; AND**

24 **3. OWNED PERSONAL PROPERTY THAT IS SUBJECT TO**
25 **PROPERTY TAX WITH AN ASSESSED VALUE GREATER THAN \$10,000, THE FILING FEE**
26 **IS \$300.**

27 **(IV) FOR EACH ANNUAL REPORT OF A FAMILY FARM THAT IS**
28 **FILED BUT NOT RECORDED, IF DURING THE PRECEDING CALENDAR YEAR THE**
29 **FAMILY FARM TO WHICH THE ANNUAL REPORT RELATES:**

30 **1. DID NOT OWN PERSONAL PROPERTY THAT IS**
31 **SUBJECT TO PROPERTY TAX, THE FILING FEE IS \$75; AND**

1 **2. OWNED PERSONAL PROPERTY THAT IS SUBJECT TO**
2 **PROPERTY TAX, THE FILING FEE IS \$100.**

3 **Article – Tax – Property**

4 11–101.

5 (a) **[On] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, ON** or
6 before April 15 of each year, a person shall submit a report on personal property to the
7 Department if:

8 (1) the person is a business trust, statutory trust, domestic corporation,
9 limited liability company, limited liability partnership, or limited partnership;

10 (2) the person is a foreign corporation, foreign statutory trust, foreign
11 limited liability company, foreign limited liability partnership, or foreign limited
12 partnership registered or qualified to do business in the State; or

13 (3) the person owns or during the preceding calendar year owned property
14 that is subject to property tax.

15 **(B) IF THE PERSON DURING THE PRECEDING CALENDAR YEAR DID NOT OWN**
16 **PROPERTY THAT IS SUBJECT TO PROPERTY TAX, THE PERSON:**

17 **(1) IS NOT REQUIRED TO FILE THE REPORT REQUIRED UNDER**
18 **SUBSECTION (A) OF THIS SECTION; AND**

19 **(2) ON OR BEFORE APRIL 15, SHALL SUBMIT TO THE DEPARTMENT**
20 **AN AFFIDAVIT ATTESTING THAT THE PERSON HAS NO TAX LIABILITY FOR THE**
21 **TAXABLE PERIOD.**

22 **[(b)](C)** The report **OR AFFIDAVIT** shall:

23 (1) be in the form that the Department requires;

24 (2) be under oath as the Department requires; and

25 (3) contain the information that the Department requires.

26 **(D) AN AFFIDAVIT SUBMITTED IN ACCORDANCE WITH SUBSECTION (B) OF**
27 **THIS SECTION MAY BE SUBMITTED ELECTRONICALLY TO THE DEPARTMENT.**

28 11–103.

1 (a) If a person who has filed a report **OR AN AFFIDAVIT** under this title
2 determines that information was not reported accurately, the person may file an amended
3 report within 3 years after the April 15th that the original report **OR AFFIDAVIT** was due.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
5 apply only prospectively and may not be applied or interpreted to have any effect on or
6 application to any annual reports or personal property reports submitted before the
7 effective date of this Act.

8 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2016.