

# SENATE BILL 273

Q1, M1  
SB 263/16 – B&T & EHE

71r2088

---

By: **Senators Edwards, Mathias, Middleton, ~~and Serafini~~ Serafini, Eckardt, Ferguson, Manno, McFadden, and Peters**

Introduced and read first time: January 20, 2017

Assigned to: Budget and Taxation and Education, Health, and Environmental Affairs

---

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 14, 2017

---

## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Forest, State Park, and Wildlife Management Area Revenue Equity**  
3 **Program**

4 FOR the purpose of prohibiting a county from receiving certain revenues derived from a  
5 State forest or State park reserve within a county if the county receives a certain  
6 payment in a fiscal year; prohibiting a county from receiving certain revenues  
7 derived from concession operations within a State forest or State park if the county  
8 receives a certain payment in a fiscal year; requiring certain payments to certain  
9 counties for State forests, State parks, and wildlife management areas that are  
10 exempt from the property tax; providing for the amount calculation of the payments;  
11 ~~establishing eligibility criteria for a county to receive certain payments for State~~  
12 ~~forests, State parks, and wildlife management areas that are exempt from the~~  
13 ~~property tax; providing for a triennial adjustment to the amount of the payments~~  
14 ~~beginning in a certain fiscal year; establishing the manner of determining which land~~  
15 ~~is considered in determining the amount of the payment; clarifying how to apportion~~  
16 ~~the land in a State forest, State park, or wildlife management area that is contained~~  
17 ~~in multiple counties; clarifying when land shall be included in the total number of~~  
18 ~~acres for a county in a fiscal year~~ calculation of payments to a county; excluding  
19 certain lands from being included in the total number of acres in calculation of  
20 payments to a county; requiring the State Department of Assessments and Taxation,  
21 in consultation with the Secretary of Natural Resources, to certify certain  
22 information to the Governor and the Secretary of Budget and Management on or  
23 before a certain date each year; ~~requiring the Governor to include certain amounts~~  
24 ~~to be paid to each county in the annual budget bill;~~ requiring the State to pay to each

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 county a certain percent of a certain payment on or before certain dates; clarifying  
2 that the provisions of this Act may not be construed to prohibit the application of or  
3 collection of certain taxes; defining certain terms; and generally relating to payments  
4 to counties for State forests, State parks, and wildlife management areas within a  
5 county.

6 BY repealing and reenacting, without amendments,  
7 Article – Natural Resources  
8 Section 5–101(a) and (e) and 10–801  
9 Annotated Code of Maryland  
10 (2012 Replacement Volume and 2016 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Natural Resources  
13 Section 5–212 and 5–212.1  
14 Annotated Code of Maryland  
15 (2012 Replacement Volume and 2016 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article – Tax – Property  
18 Section 6–102, 7–210, 7–211(c), and 7–501(a) and (b)  
19 Annotated Code of Maryland  
20 (2012 Replacement Volume and 2016 Supplement)

21 BY adding to  
22 Article – Tax – Property  
23 Section 6.5–101 through 6.5–301 to be under the new title “Title 6.5. State Forest,  
24 State Park, and Wildlife Management Area Revenue Equity Program”  
25 Annotated Code of Maryland  
26 (2012 Replacement Volume and 2016 Supplement)

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

29 **Article – Natural Resources**

30 5–101.

31 (a) In this title the following words have the meanings indicated.

32 (e) (1) “Forest land” means a biological community dominated by trees and  
33 other woody plants that are capable of producing timber or other wood products with a  
34 stocking of at least 100 trees per acre with at least 50% of those trees having a 2–inch or  
35 greater diameter at 4.5 feet above the ground.

36 (2) “Forest land” includes forested areas that have been cut but not  
37 converted to other land uses.

1 5–212.

2 (a) In this section, “Fund” means the Forest or Park Reserve Fund.

3 (b) There is a Forest or Park Reserve Fund in the Department.

4 (c) The purpose of the Fund is to enable the Department to purchase and manage  
5 in the name of the State lands suitable for forest culture, reserves, watershed protection,  
6 State parks, scenic preserves, historic monuments, parkways, and State recreational  
7 reserves.

8 (d) The Department shall administer the Fund.

9 (e) (1) The Treasurer shall hold the Fund separately and the Comptroller shall  
10 account for the Fund.

11 (2) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of  
12 the State Finance and Procurement Article.

13 (f) The Fund consists of:

14 (1) Except as provided in § 5–307(f)(4) of this title, any money obtained  
15 from the State forest reserves, State parks, scenic reserves, parkways, historic monuments,  
16 and recreation areas;

17 (2) Revenue distributed to the Fund from fines collected under § 5–1302 of  
18 this title; and

19 (3) Revenue received by the Fund under § 5–207(b) of this subtitle.

20 (g) (1) Subject to [paragraph] PARAGRAPHS (3) AND (4) of this subsection,  
21 the Fund may be used only for:

22 (i) 1. Purchasing and managing in the name of the State lands  
23 suitable for forest culture, reserves, watershed protection, State parks, scenic preserves,  
24 historic monuments, parkways, and State recreational reserves; and

25 2. Helping to offset the costs to the Forest and Park Service  
26 for developing and implementing a forest health emergency contingency program under §  
27 5–307 of this title;

28 (ii) Subject to [paragraph] PARAGRAPHS (2) AND (4) of this  
29 subsection, payments to counties in the amount of:

1                   1.     If the State forest or park reserve comprises less than 10%  
2 of the total land area of the county, a sum equal to 15% of the revenue derived from the  
3 State forest or park reserve located in that county; and

4                   2.     If the State forest or park reserve comprises 10% or more  
5 of the total land area of the county, a sum equal to 25% of the revenue derived from the  
6 State forest or park reserve located in that county; and

7                   (iii)   Administrative costs calculated in accordance with § 1–103(b)(2)  
8 of this article.

9                   (2)     For fiscal years 2012, 2013, and 2015 only, the payments under  
10 paragraph (1)(ii) of this subsection shall be based only on the revenue derived from sales of  
11 timber.

12                  (3)     From revenues described in subsection (f) of this section that are  
13 attributable to Maryland Park Service operations, less any amount of those revenues  
14 allocated for administrative costs in accordance with paragraph (1)(iii) of this subsection,  
15 the Governor shall include in the State budget an appropriation for the Maryland Park  
16 Service equal to:

17                   (i)     At least 60% of the remaining revenues, for fiscal year 2016;

18                   (ii)    At least 80% of the remaining revenues, for fiscal year 2017; and

19                   (iii)   100% of the remaining revenues, for fiscal year 2018 and each  
20 fiscal year thereafter.

21                  **(4)     A COUNTY MAY NOT RECEIVE A PAYMENT UNDER PARAGRAPH**  
22 **(1)(II) OF THIS SUBSECTION IN A FISCAL YEAR IF THE COUNTY RECEIVES A PAYMENT**  
23 **FROM THE STATE UNDER § 6.5–201 OF THE TAX – PROPERTY ARTICLE IN THE SAME**  
24 **FISCAL YEAR.**

25                  (h)     (1)     The Treasurer shall invest the money of the Fund in the same manner  
26 as other State money may be invested.

27                  (2)     Any investment earnings of the Fund shall be credited to the General  
28 Fund of the State.

29                  (i)     Expenditures from the Fund may be made only in accordance with the State  
30 budget.

31 5–212.1.

32                  (a)     (1)     In this section the following words have the meanings indicated.

33                   (2)     “Account” means the Forest and Park Concession Account.

1 (3) (i) "Concession operations" means activities within a State forest or  
2 park that:

- 3 1. Raise revenue;
- 4 2. Function under a separate budget system; and
- 5 3. Supplement the operation of the facility where it is  
6 located.

7 (ii) "Concession operations" includes:

- 8 1. Food concessions;
- 9 2. Boat rentals;
- 10 3. Gift shops;
- 11 4. Marine sales;
- 12 5. Snack bars; and
- 13 6. Camp stores.

14 (b) There is a Forest and Park Concession Account in the Department.

15 (c) The purpose of the Account is to finance:

- 16 (1) The maintenance and operation of concession operations; and
- 17 (2) The functions of State forests and parks.

18 (d) The Department shall administer the Account.

19 (e) (1) The Treasurer shall hold the Account separately and the Comptroller  
20 shall reconcile the Account.

21 (2) The Account is a special, nonlapsing account that is not subject to §  
22 7-302 of the State Finance and Procurement Article.

23 (f) The Account consists of any money derived from concession operations in  
24 State forests and parks.

25 (g) (1) Except as provided in paragraph (2) of this subsection, the Account  
26 shall be used only for:

- 1 (i) The maintenance and operation of concession operations;
- 2 (ii) The function of State forests and parks to the extent of the  
3 projected balance of the Account from the prior fiscal year; and
- 4 (iii) Administrative costs calculated in accordance with § 1–103(b)(2)  
5 of this article.

6 (2) (i) Subject to [subparagraph] **SUBPARAGRAPHS (ii) AND (iii)** of  
7 this paragraph, each county in which any State forest or park is located shall be paid  
8 annually out of the Account:

9 1. If the State forest or park reserve comprises less than 10%  
10 of the total land area of the county, a sum equal to 15% of the net revenue derived from  
11 concession operations within a State forest or park located in that county; or

12 2. If the State forest or park reserve comprises 10% or more  
13 of the total land area of the county, a sum equal to 25% of the net revenue derived from  
14 concession operations within a State forest or park located in that county.

15 (ii) For fiscal year 2015 only, the payments under subparagraph (i)  
16 of this paragraph may not be made.

17 **(iii) A COUNTY MAY NOT RECEIVE A PAYMENT UNDER**  
18 **SUBPARAGRAPH (i) OF THIS PARAGRAPH IN A FISCAL YEAR IF THE COUNTY**  
19 **RECEIVES A PAYMENT FROM THE STATE UNDER § 6.5–201 OF THE TAX – PROPERTY**  
20 **ARTICLE IN THE SAME FISCAL YEAR.**

21 (h) (1) The Treasurer shall invest the money of the Account in the same  
22 manner as other State money may be invested.

23 (2) Any investment earnings of the Account shall be credited to the General  
24 Fund of the State.

25 (i) (1) Expenditures from the Account may be made only in accordance with  
26 the State budget.

27 (2) The budget submitted by the Governor to the General Assembly shall  
28 include the revenues and expenditures of the Account in the same detail as other special  
29 fund accounts administered by the Department.

30 10–801.

31 (a) The Department may acquire, by purchase, lease, condemnation, or gift, title  
32 or control of any area of land or water in the State suitable to protect, propagate, or manage  
33 wildlife or for hunting purposes. The area of land or water shall be known as a wildlife  
34 management area. Any area of land or water greater than 100 acres may be acquired in

1 Garrett County or Allegany County only with the approval of that county. This requirement  
2 does not apply to any areas which have previously been authorized for acquisition by the  
3 General Assembly.

4 (b) The Department may purchase or erect any structure necessary for wildlife  
5 management and may purchase or lease any area of land or water excluding the ownership  
6 of and the right to drill any mineral, oil, or gas.

#### 7 **Article – Tax – Property**

8 6–102.

9 (a) Except as otherwise provided in this section, a leasehold or other limited  
10 interest in property is not subject to property tax.

11 (b) An interest of a life tenant or the owner of any other freehold estate in property  
12 is subject to property tax as though the person in possession or the user of the property  
13 were the owner of the property.

14 (c) An interest of the mortgagor, pledgor, or conditional sale buyer in personal  
15 property is subject to property tax as though the person in possession or the user of the  
16 personal property were the owner of the personal property.

17 (d) The following interests in real property are subject to property tax as though  
18 the person in possession or the user of the property were the owner of the property:

19 (1) an interest of a tenant under a 99–year lease, whether or not the lease  
20 is renewable;

21 (2) an interest of a tenant under a lease for less than 99 years, if the lease  
22 is perpetually renewable; and

23 (3) an interest of a mortgagor or grantor under a deed of trust.

24 (e) Unless exempted under § 7–211, § 7–211.1, § 7–244, or § 7–501 of this article,  
25 the interest or privilege of a person in property that is owned by the federal government,  
26 the State, a county, a municipal corporation, or an agency or instrumentality of the federal  
27 government, the State, a county, or a municipal corporation is subject to property tax as  
28 though the lessee or the user of the property were the owner of the property, if the property  
29 is leased or otherwise made available to that person:

30 (1) by the federal government, the State, a county, a municipal corporation,  
31 or an agency or instrumentality of the federal government, the State, a county, or a  
32 municipal corporation; and

33 (2) with the privilege to use the property in connection with a business that  
34 is conducted for profit.

**TITLE 6.5. STATE FOREST, STATE PARK, AND WILDLIFE MANAGEMENT AREA  
REVENUE EQUITY PROGRAM.**

**SUBTITLE 1. GENERAL PROVISIONS.**

**6.5-101.**

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "FOREST LAND" HAS THE MEANING STATED IN § 5-101 OF THE NATURAL RESOURCES ARTICLE.

(C) "STATE FOREST" MEANS FOREST LAND OWNED OR LEASED BY THE DEPARTMENT OF NATURAL RESOURCES.

(D) "STATE PARK" MEANS A PARK OWNED BY THE STATE THAT IS PROMOTED, ADMINISTERED, OR MANAGED BY THE DEPARTMENT OF NATURAL RESOURCES.

~~(E) (1) "UNIT OF OPEN SPACE" MEANS 10,000 ACRES OF LAND WITHIN A COUNTY THAT CONSISTS OF STATE FORESTS, STATE PARKS, OR WILDLIFE MANAGEMENT AREAS.~~

~~(2) A "UNIT OF OPEN SPACE" MAY BE LESS THAN 10,000 ACRES AS PROVIDED UNDER § 6.5-201 OF THIS TITLE.~~

~~(F)~~ (E) "WILDLIFE MANAGEMENT AREA" MEANS LAND ACQUIRED AND USED BY THE STATE IN ACCORDANCE WITH TITLE 10, SUBTITLE 8 OF THE NATURAL RESOURCES ARTICLE.

**6.5-102.**

THIS TITLE APPLIES TO COUNTIES THAT HAVE AT LEAST 40,000 ACRES OF STATE FORESTS, STATE PARKS, AND WILDLIFE MANAGEMENT AREAS THAT ARE EXEMPT FROM THE PROPERTY TAX UNDER § 7-210 OF THIS ARTICLE.

**SUBTITLE 2. PAYMENTS TO COUNTIES.**

**6.5-201.**

~~(A) (1) SUBJECT TO PARAGRAPHS (3) AND (4) OF THIS SUBSECTION, BEGINNING IN FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE STATE~~

1 ~~SHALL PAY TO EACH COUNTY \$250,000 FOR EACH UNIT OF OPEN SPACE IN THE~~  
2 ~~COUNTY.~~

3 ~~(2) THE PAYMENTS REQUIRED UNDER PARAGRAPH (1) OF THIS~~  
4 ~~SUBSECTION SHALL BE BASED ON THE NUMBER OF UNITS OF OPEN SPACE IN A~~  
5 ~~COUNTY IN THE PRECEDING FISCAL YEAR.~~

6 ~~(3) (i) IN FISCAL YEAR 2019, A COUNTY MAY NOT RECEIVE A~~  
7 ~~PAYMENT IN ACCORDANCE WITH THIS SECTION UNLESS THE COUNTY HAS AT LEAST~~  
8 ~~SEVEN UNITS OF OPEN SPACE.~~

9 ~~(ii) IN FISCAL YEAR 2020, A COUNTY MAY NOT RECEIVE A~~  
10 ~~PAYMENT IN ACCORDANCE WITH THIS SECTION UNLESS THE COUNTY HAS AT LEAST~~  
11 ~~FIVE UNITS OF OPEN SPACE.~~

12 ~~(iii) IN FISCAL YEAR 2021 AND EACH FISCAL YEAR THEREAFTER,~~  
13 ~~A COUNTY MAY NOT RECEIVE A PAYMENT IN ACCORDANCE WITH THIS SECTION~~  
14 ~~UNLESS THE COUNTY HAS AT LEAST THREE UNITS OF OPEN SPACE.~~

15 ~~(4) (i) IN THIS PARAGRAPH, "CONSUMER PRICE INDEX" MEANS~~  
16 ~~THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS PUBLISHED MONTHLY~~  
17 ~~BY THE BUREAU OF LABOR STATISTICS OF THE U.S. DEPARTMENT OF LABOR THAT~~  
18 ~~IS THE U.S. CITY AVERAGE OF ALL ITEMS IN A BASKET OF CONSUMER GOODS AND~~  
19 ~~SERVICES.~~

20 ~~(ii) BEGINNING WITH PAYMENTS MADE IN FISCAL YEAR 2022,~~  
21 ~~AND EVERY 3 YEARS THEREAFTER, THE AMOUNT THE STATE IS REQUIRED TO PAY~~  
22 ~~FOR EACH UNIT OF OPEN SPACE SHALL BE ADJUSTED TO REFLECT THE CHANGE IN~~  
23 ~~THE CONSUMER PRICE INDEX FROM JULY 1 OF THE THIRD PRECEDING FISCAL~~  
24 ~~YEAR THROUGH JUNE 30 OF THE PRECEDING FISCAL YEAR.~~

25 ~~(b) THE NUMBER OF UNITS OF OPEN SPACE IN A COUNTY SHALL BE~~  
26 ~~DETERMINED BY:~~

27 ~~(1) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE TOTAL~~  
28 ~~NUMBER OF ACRES IN A COUNTY THAT ARE INCLUDED IN A STATE FOREST, STATE~~  
29 ~~PARK, OR WILDLIFE MANAGEMENT AREA;~~

30 ~~(2) ROUNDING THE NUMBER OF ACRES DETERMINED UNDER ITEM (1)~~  
31 ~~OF THIS SUBSECTION UP TO THE NEAREST WHOLE ACRE;~~

32 ~~(3) DIVIDING THE NUMBER OF ACRES DETERMINED UNDER ITEM (2)~~  
33 ~~OF THIS SUBSECTION BY 10,000; AND~~

1 ~~(4) ROUNDING THE NUMBER DETERMINED UNDER ITEM (3) OF THIS~~  
 2 ~~SUBSECTION UP TO THE NEAREST WHOLE NUMBER.~~

3 ~~(c) IF A STATE FOREST, STATE PARK, OR WILDLIFE MANAGEMENT AREA IS~~  
 4 ~~CONTAINED WITHIN THE BOUNDARIES OF MORE THAN ONE COUNTY, THE NUMBER~~  
 5 ~~OF ACRES ATTRIBUTABLE TO THAT STATE FOREST, STATE PARK, OR WILDLIFE~~  
 6 ~~MANAGEMENT AREA SHALL BE ALLOCATED TO EACH COUNTY BASED ON THE~~  
 7 ~~PERCENTAGE CONTAINED WITHIN EACH COUNTY.~~

8 (A) BEGINNING IN FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER,  
 9 THE STATE SHALL PAY TO EACH COUNTY AN AMOUNT EQUAL TO THE COUNTY  
 10 PROPERTY TAX RATE MULTIPLIED BY THE ASSESSED VALUE, AS DETERMINED BY  
 11 THE DEPARTMENT, OF THE STATE FORESTS, STATE PARKS, AND WILDLIFE  
 12 MANAGEMENT AREAS IN THE COUNTY THAT ARE EXEMPT FROM THE PROPERTY TAX  
 13 UNDER § 7-210 OF THIS ARTICLE.

14 ~~(D)~~ (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
 15 SUBSECTION, LAND THAT IS PART OF A STATE FOREST, STATE PARK, OR WILDLIFE  
 16 MANAGEMENT AREA AT ANY TIME DURING A FISCAL YEAR AND EXEMPT FROM THE  
 17 PROPERTY TAX UNDER § 7-210 OF THIS ARTICLE SHALL BE INCLUDED WHEN  
 18 ~~DETERMINING THE TOTAL NUMBER OF ACRES UNDER SUBSECTION (B)~~  
 19 CALCULATING THE AMOUNT THAT THE STATE SHALL PAY A COUNTY UNDER  
 20 SUBSECTION (A) OF THIS SECTION.

21 (2) THE FOLLOWING MAY NOT BE INCLUDED WHEN ~~DETERMINING~~  
 22 ~~THE NUMBER OF UNITS OF OPEN SPACE IN A COUNTY~~ CALCULATING THE AMOUNT  
 23 THAT THE STATE SHALL PAY A COUNTY UNDER SUBSECTION (A) OF THIS SECTION:

24 (I) PROPERTY THAT IS SUBJECT TO PROPERTY TAX UNDER §  
 25 6-102 OF THIS ARTICLE;

26 (II) PROPERTY THAT IS EXEMPT FROM PROPERTY TAX IN  
 27 ACCORDANCE WITH § 7-501 OF THIS ARTICLE;

28 (III) STATE PROPERTY FOR WHICH A PAYMENT IN LIEU OF TAX  
 29 AGREEMENT IS IN EFFECT UNDER § 7-211(C) OR § 7-501 OF THIS ARTICLE; OR

30 (IV) THE PORTION OF DEEP CREEK LAKE STATE PARK THAT IS  
 31 ATTRIBUTABLE TO PAYMENTS REQUIRED UNDER § 5-215 OF THE NATURAL  
 32 RESOURCES ARTICLE.

33 6.5-202.

1 (A) ~~(1)~~ ON OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT, IN  
 2 CONSULTATION WITH THE SECRETARY OF NATURAL RESOURCES, SHALL CERTIFY  
 3 TO THE GOVERNOR AND THE SECRETARY OF BUDGET AND MANAGEMENT:

4 ~~(1)~~ (1) ~~THE TOTAL NUMBER OF UNITS OF OPEN SPACE ASSESSED~~  
 5 VALUE OF ALL STATE FORESTS, STATE PARKS, AND WILDLIFE MANAGEMENT AREAS  
 6 IN EACH COUNTY THAT ARE EXEMPT FROM THE PROPERTY TAX UNDER § 7-210 OF  
 7 THIS ARTICLE, AS DETERMINED UNDER § 6.5-201 OF THIS SUBTITLE; AND

8 ~~(2)~~ (2) THE TOTAL AMOUNT TO BE PAID BY THE STATE TO EACH  
 9 COUNTY AS DETERMINED UNDER § 6.5-201 OF THIS SUBTITLE.

10 ~~(2)~~ ~~THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL~~  
 11 ~~THE TOTAL AMOUNT TO BE PAID TO EACH COUNTY AS CERTIFIED UNDER~~  
 12 ~~PARAGRAPH (1) OF THIS SUBSECTION.~~

13 (B) ON OR BEFORE OCTOBER 1, JANUARY 1, APRIL 1, AND JUNE 1 EACH  
 14 FISCAL YEAR, THE STATE SHALL PAY 25% OF THE AMOUNT CERTIFIED UNDER  
 15 SUBSECTION (A) OF THIS SECTION TO EACH COUNTY.

### 16 SUBTITLE 3. MISCELLANEOUS.

#### 17 6.5-301.

18 (A) IN THIS SECTION, "LOCAL TAX" MEANS A TAX IMPOSED BY A COUNTY OR  
 19 MUNICIPAL CORPORATION.

20 (B) THIS TITLE MAY NOT BE CONSTRUED TO PROHIBIT THE APPLICATION  
 21 OF OR COLLECTION OF A LOCAL TAX ON THE EXTRACTION OF NATURAL RESOURCES.

22 7-210.

23 (a) Except as otherwise provided in § 6-102 of this article and except as otherwise  
 24 provided under this section, government-owned property is not subject to property tax, if  
 25 the property:

26 (1) is devoted to a governmental use or purpose; and

27 (2) is owned by:

28 (i) the federal government;

29 (ii) the State;

30 (iii) a county or a municipal corporation; or

1 (iv) an agency or instrumentality of the federal government, the  
2 State, a county, or of a municipal corporation.

3 (b) The exemption provided for the property owned by an agency or  
4 instrumentality in subsection (a)(2)(iv) of this section applies only to the extent that a law  
5 exempts the property.

6 7–211.

7 (c) (1) Except for an interest in federal enclave property as defined in §  
8 7–211.3 of this subtitle, an interest of a person in any property of the federal government  
9 or the State is not subject to property tax, if the government that owns the property makes  
10 negotiated payments in lieu of tax payments.

11 (2) Land owned by the federal government that is the location for federal  
12 enclave property as defined in § 7–211.3 of this subtitle is not subject to property tax.

13 7–501.

14 (a) The governing body of Allegany County, Anne Arundel County, Montgomery  
15 County, or Washington County or the governing body of a municipal corporation in those  
16 counties may authorize, by law, an exemption from county or municipal corporation  
17 property tax for the property that is described in § 6–102(e) of this article.

18 (b) Except for an interest in federal enclave property as defined in § 7–211.3 of  
19 this title, in all counties except Worcester County, the governing body of the county or of a  
20 municipal corporation in those counties or the Mayor and City Council of Baltimore City  
21 may authorize, by law, an exemption from county or municipal corporation property tax for  
22 the property described in § 6–102(e) of this article and provide for a negotiated payment in  
23 lieu of the tax.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
25 1, 2017.

Approved:

---

Governor.

---

President of the Senate.

---

Speaker of the House of Delegates.