

# HOUSE BILL 635

Q2

2lr1902  
CF SB 539

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By: **Delegates Rogers, Bagnall, B. Barnes, Bartlett, Carey, Chang, Chisholm, Henson, Howard, D. Jones, Kipke, Lehman, Munoz, Pena–Melnyk, and Saab**  
Introduced and read first time: January 31, 2022  
Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Anne Arundel County – Special Taxing Districts – Exemptions**

3 FOR the purpose of providing that certain taxes, assessments, fees, or charges imposed by  
4 Anne Arundel County in certain special taxing districts do not apply to certain  
5 property that is exempt from taxation; and generally relating to special taxing  
6 districts in Anne Arundel County.

7 BY repealing and reenacting, with amendments,  
8 Article – Local Government  
9 Section 21–306 and 21–519  
10 Annotated Code of Maryland  
11 (2013 Volume and 2021 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article – Natural Resources  
14 Section 8–708(c)  
15 Annotated Code of Maryland  
16 (2012 Replacement Volume and 2021 Supplement)

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

19 **Article – Local Government**

20 21–306.

21 (a) The County Council of Anne Arundel County may impose a direct tax on  
22 property in a shore erosion control district to:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) repay a loan made to the county by the State under § 8–1005 of the  
2 Natural Resources Article for the construction of an erosion control project for the benefit  
3 of a shore erosion control district; and

4 (2) pay for maintenance, repair, and reconstruction of erosion control  
5 projects.

6 (b) A tax under this section [shall]:

7 (1) **SHALL** be imposed and collected as county taxes are imposed and  
8 collected; [and]

9 (2) **SHALL** have the same priority rights, bear the same interest and  
10 penalties, and in every respect be treated the same as county taxes; **AND**

11 (3) **MAY NOT APPLY TO PROPERTY THAT IS EXEMPT FROM TAXATION**  
12 **UNDER TITLE 7, SUBTITLE 2 OF THE TAX – PROPERTY ARTICLE.**

13 21–519.

14 A law enacted by Anne Arundel County under this subtitle:

15 (1) shall specify the type of infrastructure and related costs that may be  
16 financed;

17 (2) shall require:

18 (i) reasonable disclosure in a real estate contract to buyers of real  
19 property in a special taxing district of any special assessment, special tax, or other fee or  
20 charge for which the buyer would be liable due to the special taxing district; and

21 (ii) that, if a seller fails to provide the disclosure, the buyer may void  
22 the contract before the date of settlement;

23 (3) shall require adequate debt service reserve funds to be maintained;

24 (4) may provide:

25 (i) for exemptions, deferrals, and credits; and

26 (ii) for a lien to attach to property in a special taxing district to the  
27 extent of that property owner's obligation under any special taxing district financing; [and]

28 (5) may not allow:

29 (i) acceleration of assessments or taxes by reason of bond default; or

1 (ii) an increase in the maximum special assessments, special taxes,  
2 or other fees or charges applicable to any individual property if other property owners  
3 become delinquent in paying a special assessment, a special tax, or any other fee or charge  
4 securing bonds issued under this subtitle; AND

5 **(6) MAY NOT APPLY SPECIAL ASSESSMENTS, SPECIAL TAXES, OR**  
6 **OTHER FEES OR CHARGES TO PROPERTY THAT IS EXEMPT FROM TAXATION UNDER**  
7 **TITLE 7, SUBTITLE 2 OF THE TAX – PROPERTY ARTICLE.**

8 **Article – Natural Resources**

9 8–708.

10 (c) (1) The governing body shall pay its share of matching projects under  
11 subsection (b) of this section or shall repay the Waterway Improvement Fund for any loan  
12 authorized under subsection (d) of this section either by:

13 (i) Means of appropriations from general funds; or

14 (ii) Levying a special assessment or tax against each property owner  
15 whose property lies within the district.

16 (2) The governing body may accept and use any gift for the cost of any  
17 project as part of the governing body’s share of any matching fund project.

18 **(3) ANY SPECIAL ASSESSMENT OR TAX LEVIED BY ANNE ARUNDEL**  
19 **COUNTY UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION MAY NOT APPLY TO**  
20 **PROPERTY THAT IS EXEMPT FROM TAXATION UNDER TITLE 7, SUBTITLE 2 OF THE**  
21 **TAX – PROPERTY ARTICLE.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
23 1, 2022, and shall be applicable to all taxable years beginning after June 30, 2022.