

# SENATE BILL 4

C2, Q3, Q4

EMERGENCY BILL  
(PRE-FILED)

6lr0735  
CF 6lr0736

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By: **Senators Kagan and Ferguson**

Requested: August 25, 2025

Introduced and read first time: January 14, 2026

Assigned to: Education, Energy, and the Environment and Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Charitable Organizations – Charitable Donation and Tax-Exempt Status –**  
3 **Revocation**  
4 **(Keeping Charities Nonpartisan Act of 2026)**

5 FOR the purpose of altering, for the purpose of certain provisions of law that regulate  
6 charitable organizations, the definition of “charitable organization” to include a  
7 certain person that is recognized by the Internal Revenue Service to receive  
8 donations that are deductible from federal income tax; prohibiting certain charitable  
9 organizations from participating in or intervening in a political campaign on behalf  
10 of or in opposition to a candidate for public office; authorizing the Secretary of State  
11 and the Attorney General, acting jointly, to order the revocation of certain  
12 tax-exempt statuses of a charitable organization under certain circumstances;  
13 requiring the Comptroller and the Director of the State Department of Assessments  
14 and Taxation to revoke certain tax-exempt statuses under certain circumstances;  
15 providing that a charitable organization whose tax-exempt status is revoked does  
16 not qualify for certain income, sales and use, and property tax exemptions; requiring  
17 the Attorney General to monitor action by the federal government for a certain  
18 purpose; and generally relating to charitable organizations.

19 BY repealing and reenacting, without amendments,  
20 Article – Business Regulation  
21 Section 6–101(a), 6–402(a), and 6.5–101(a)  
22 Annotated Code of Maryland  
23 (2024 Replacement Volume and 2025 Supplement)

24 BY repealing and reenacting, with amendments,  
25 Article – Business Regulation  
26 Section 6–101(d), 6–205, 6–402(b)(9) and (10), 6.5–101(c), and 6.5–103(c)  
27 Annotated Code of Maryland  
28 (2024 Replacement Volume and 2025 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to  
2 Article – Business Regulation  
3 Section 6–402(b)(10) and 6–623  
4 Annotated Code of Maryland  
5 (2024 Replacement Volume and 2025 Supplement)

6 BY repealing and reenacting, with amendments,  
7 Article – Tax – General  
8 Section 10–104 and 11–204  
9 Annotated Code of Maryland  
10 (2022 Replacement Volume and 2025 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Tax – Property  
13 Section 7–202 and 7–204  
14 Annotated Code of Maryland  
15 (2019 Replacement Volume and 2025 Supplement)

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

18 **Article – Business Regulation**

19 6–101.

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

21 (d) (1) “Charitable organization” means:

22 (i) a person that:

23 1. **A.** is or holds itself out to be a benevolent, educational,  
24 eleemosynary, humane, patriotic, philanthropic, or religious organization; OR

25 **B. IS RECOGNIZED BY THE INTERNAL REVENUE**  
26 **SERVICE AS AUTHORIZED TO RECEIVE DONATIONS THAT ARE DEDUCTIBLE FROM**  
27 **FEDERAL INCOME TAX UNDER § 170 OF THE INTERNAL REVENUE CODE; and**

28 2. solicits or receives charitable contributions from the  
29 public; or

30 (ii) an ambulance, fire fighting, fraternal, rescue, or police or other  
31 law enforcement organization when it solicits charitable contributions from the public.

(2) "Charitable organization" includes an area, branch, chapter, office, or similar affiliate that solicits charitable contributions from the public within the State for a charitable organization that is organized or has its principal place of business outside the State.

5 (3) "Charitable organization" does not include:

6 (i) an agency of the State government or of a political subdivision;  
7 or

8 (ii) a political club, committee, or party.

9 6-205.

10 (a) (1) The Secretary of State or the Attorney General may investigate an  
11 alleged violation of this title.

(ii) Information obtained under this subsection is not admissible in a subsequent criminal proceeding against the person who provided the information.

18 (b) If the Secretary of State or the Attorney General finds or has reasonable  
19 grounds to believe that a charitable organization, charitable representative, or public safety  
20 solicitor has violated this title, the Secretary of State or the Attorney General may take one  
21 or more of the following actions:

22 (1) by mediation with the apparent violators and any representatives they  
23 may choose to assist them, enter into a written assurance of discontinuance, written  
24 assurance of voluntary compliance, or other settlement agreement with the apparent  
25 violators, in accordance with subsection (c) of this section;

26 (2) summarily issue a cease and desist order to the violator, if the Secretary  
27 of State or the Attorney General:

28 (i) finds that:

1.     **§ 6-623 OF THIS TITLE HAS BEEN VIOLATED; OR**

2. ANY OTHER PROVISION OF this title has been violated  
1. safety, or welfare requires emergency action; and

(3) EXCEPT IN THE ENFORCEMENT OF § 6-623 OF THIS TITLE, refer the matter to the appropriate State's Attorney for prosecution.

6 (c) A settlement agreement under subsection (b)(1) of this section may include  
7 one or more of the following stipulations or conditions:

8 (1) payment by the apparent violator of the cost of the investigation;

(3) payment by the apparent violator of refunds to donors a court could order under this title;

18 (5) any other stipulation, condition, or remedy that will correct a violation  
19 of this title.

20 (d) An agreement under this section is for conciliation purposes only and does not  
21 constitute an admission by any party that the law has been violated.

22 (e) (1) It is a violation of this title to fail to adhere to any provision contained  
23 in a settlement agreement.

24 (2) A failure of the Secretary of State or the Attorney General to enforce a  
25 violation of any provision of a settlement agreement does not constitute a waiver of that or  
26 any other provision, or of any right of the Secretary of State or the Attorney General.

27 (f) The Attorney General may sue in the circuit court for the county in which the  
28 alleged violation occurred for an order that:

29 (1) restrains further violation of this title;

30 (2) restrains the defendant from making further charitable or public safety  
31 solicitations in the State;

(3) except as provided under § 6-5A-11 of this title, recovers for the State a civil penalty not to exceed \$5,000 for each willful violation of this title:

(4) except as provided under § 6-5A-11 of this title, recovers for the State a civil penalty not to exceed \$3,000 for each grossly negligent violation of this title;

3 (5) enforces compliance with this title; or

4 (6) secures any other appropriate relief, including:

5 (i) refunds to donors; and

6 (ii) payment of the charitable or public safety contributions received  
7 by the solicitor to charitable or public safety purposes or beneficiaries consistent with the  
8 purposes represented or beneficiaries named in the charitable or public safety solicitations  
9 which generated the contributions.

10 (g) (1) If the Secretary of State or the Attorney General issues a cease and  
11 desist order to a person, the person may request a hearing from the Secretary of State.

12 (2) Within 30 days after a request is submitted, the Secretary of State shall  
13 hold a hearing in accordance with Title 10, Subtitle 2 of the State Government Article.

14 6-402.

15 (a) A registration statement shall be on the form that the Secretary of State  
16 provides.

17 (b) Except as provided in subsection (c) of this section, the registration statement  
18 shall contain or be accompanied by:

24 (ii) a certification that the taxes due from the applicant to the State  
25 or to Baltimore City or a county are under dispute and the dispute has not been finally  
26 resolved; [and]

3 6-623.

4 (A) IN THIS SECTION, "DIRECTOR" MEANS THE DIRECTOR OF THE STATE  
5 DEPARTMENT OF ASSESSMENTS AND TAXATION.

**(B) THIS SECTION APPLIES TO EACH CHARITABLE ORGANIZATION THAT:**

7 (1) IS INCORPORATED OR OTHERWISE ESTABLISHED UNDER STATE  
8 LAW OR THE LAWS OF ANOTHER STATE;

11 (3) (I) IS REQUIRED TO REGISTER WITH THE SECRETARY OF  
12 STATE UNDER SUBTITLE 4 OF THIS TITLE; OR

13 (II) IF EXEMPT FROM THE REGISTRATION REQUIREMENT,  
14 CONDUCTS BUSINESS OR OTHER ACTIVITIES IN THE STATE.

15 (C) (1) A CHARITABLE ORGANIZATION MAY NOT PARTICIPATE IN OR  
16 INTERVENE IN A POLITICAL CAMPAIGN ON BEHALF OF OR IN OPPOSITION TO A  
17 CANDIDATE FOR PUBLIC OFFICE, INCLUDING THROUGH PUBLICATION OF OR  
18 DISTRIBUTION OF STATEMENTS.

23 (D) (1) TO ENFORCE THIS SECTION, IN ADDITION TO THE AUTHORITY  
24 PROVIDED UNDER § 6-205 OF THIS TITLE AND SUBJECT TO PARAGRAPHS (2) AND (3)  
25 OF THIS SUBSECTION, THE SECRETARY OF STATE OR THE ATTORNEY GENERAL  
26 MAY:

27 (I) ASSESS CIVIL PENALTIES IN ACCORDANCE WITH  
28 SUBSECTION (E) OF THIS SECTION; OR

10 (II) NOTICE REQUIRED UNDER THIS PARAGRAPH SHALL  
11 INCLUDE A DESCRIPTION OF:

## 1. THE VIOLATION:

27                           1. CAN SHOW THE CONDUCT GIVING RISE TO THE  
28 VIOLATION WAS NOT APPROVED OR AUTHORIZED BY THE CHIEF EXECUTIVE OR  
29 GOVERNING BODY OF THE CHARITABLE ORGANIZATION; AND

7                                   **2. RECEIVES NOTICE IN ACCORDANCE WITH**  
8 **PARAGRAPH (2) OF THIS SUBSECTION.**

9 (E) (1) A CHARITABLE ORGANIZATION THAT VIOLATES THIS SECTION IS  
10 SUBJECT TO A CIVIL PENALTY NOT EXCEEDING \$5,000 FOR EACH VIOLATION, IN  
11 ADDITION TO ANY OTHER PENALTIES UNDER THIS SECTION.

16 (F) (1) IF THE SECRETARY OF STATE AND THE ATTORNEY GENERAL,  
17 ACTING JOINTLY, FIND OR HAVE REASONABLE GROUNDS TO BELIEVE THAT A  
18 CHARITABLE ORGANIZATION HAS WILLFULLY VIOLATED THIS SECTION, THE  
19 SECRETARY OF STATE AND THE ATTORNEY GENERAL MAY ORDER A REVOCATION  
20 OF A TAX-EXEMPT STATUS DESCRIBED UNDER PARAGRAPH (3)(I) OF THIS  
21 SUBSECTION.

5 (II) THE COMPTROLLER AND THE DIRECTOR SHALL PROMPTLY  
6 PROVIDE WRITTEN NOTICE TO THE CHARITABLE ORGANIZATION OF THE  
7 REVOCATION OF ANY TAX-EXEMPT STATUS AND ANY APPEAL RIGHTS AS MAY BE  
8 AVAILABLE.

15 (G) A CHARITABLE ORGANIZATION THAT RECEIVES NOTICE OF A VIOLATION  
16 UNDER THIS SECTION SHALL:

22 (i) PAY THE AMOUNT OF EACH CIVIL PENALTY ASSESSED; OR

23 (II) REQUEST A HEARING WITH THE SECRETARY OF STATE TO  
24 BE HELD IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT  
25 ARTICLE OR IN ACCORDANCE WITH § 6-205(G) OF THIS TITLE.

26 (H) THE SECRETARY OF STATE, IN CONSULTATION WITH THE ATTORNEY  
27 GENERAL, THE COMPTROLLER, AND THE DIRECTOR, SHALL ADOPT REGULATIONS  
28 TO CARRY OUT THIS SECTION, INCLUDING:

6 6.5-101.

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

18 6.5-103.

19 (c) The remedies under this section are in addition to and do not limit the powers  
20 and duties of the Secretary of State and the Attorney General under § 6-205 OR **§ 6-623**  
21 of this article or § 6.5-102 of this title.

## Article – Tax – General

23 10-104.

24 (A) The income tax does not apply to the income of:

25 (1) a common trust fund, as defined in § 3-501(b) of the Financial  
26 Institutions Article;

(2) except as provided in **SUBSECTION (B) OF THIS SECTION AND §§ 10–101(e)(3) of this subtitle and 10–304(2) of this title**, an organization that is exempt from taxation under § 408(e)(1) or § 501 of the Internal Revenue Code;

30 (3) a financial institution that is subject to the financial institution  
31 franchise tax;

(4) a person subject to taxation under Title 6 of the Insurance Article;

(5) except as provided in § 10-102.1 of this subtitle, a partnership, as defined in § 761 of the Internal Revenue Code;

(6) except as provided in § 10–102.1 of this subtitle and § 10–304(3) of this title, an S corporation;

(7) except as provided in § 10–304(4) of this title, an investment conduit or a special exempt entity; or

(8) except as provided in § 10-102.1 of this subtitle, a limited liability company as defined under Title 4A of the Corporations and Associations Article to the extent that the company is taxable as a partnership, as defined in § 761 of the Internal Revenue Code.

12 (B) (1) IN THIS SUBSECTION, "CHARITABLE ORGANIZATION" HAS THE  
13 MEANING STATED IN § 6-101 OF THE BUSINESS REGULATION ARTICLE.

1 TAX-EXEMPT STATUS IS ORDERED UNDER § 6-623(F) OF THE BUSINESS  
2 REGULATION ARTICLE.

3 11-204.

4 (a) [The] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE  
5 sales and use tax does not apply to:

6 (1) a sale to a cemetery company, as described in § 501(c)(13) of the Internal  
7 Revenue Code in effect on July 1, 1987;

8 (2) a sale to a credit union organized under the laws of the State or of the  
9 United States;

10 (3) a sale to a nonprofit organization made to carry on its work, if the  
11 organization:

12 (i) 1. is located in the State;

13 2. is located in an adjacent jurisdiction and provides its  
14 services within the State on a routine and regular basis; or

15 3. is located in an adjacent jurisdiction whose law:

16 A. does not impose a sales or use tax on a sale to a nonprofit  
17 organization made to carry on its work; or

18 B. contains a reciprocal exemption from sales and use tax for  
19 sales to nonprofit organizations located in adjacent jurisdictions similar to the exemption  
20 allowed under this subsection;

21 (ii) is a charitable, educational, or religious organization;

22 (iii) is not the United States; and

23 (iv) except for the American National Red Cross, is not a unit or  
24 instrumentality of the United States;

25 (4) a sale, not exceeding \$500, to a nonprofit incorporated senior citizens'  
26 organization made to carry on its work, if the organization:

27 (i) is located in the State; and

28 (ii) receives funding from the State or a political subdivision of the  
29 State;

(6) a sale of tangible personal property, a digital code, or a digital product to a nonprofit parent-teacher association located in the State if the association makes the purchase to contribute the property to a school to which a sale is exempt under item (3) of this subsection or § 11-220 of this subtitle;

8 (7) a sale to a nonprofit organization made to carry on its work, if the  
9 organization:

10 (i) is qualified as tax exempt under § 501(c)(4) of the Internal  
11 Revenue Code; and

12 (ii) is engaged primarily in providing a program to render its best  
13 efforts to contain, clean up, and otherwise mitigate spills of oil or other substances occurring  
14 in United States coastal and tidal waters; or

23 (2) a gift shop at a mental hospital that the Maryland Department of  
24 Health operates:

25 (3) a hospital thrift shop that:

26 (j) is operated by all volunteer staff;

27 (ii) sells only donated articles;

28 (iii) contributes the profits from sales to the hospital with which the  
29 shop is associated; and

30 (iv) is not operated in conjunction with a gift shop or another retail  
31 establishment:

32 (4) a vending facility operated under the Maryland Vending Program for  
33 the Blind if:

(i) the facility is located on property held or acquired by or for the use of the United States for any military or naval purpose; and

(6) a parent-teacher organization or other organization within an elementary or secondary school in the State or within a school system in the State;

18 (i) the sale is made at an auction sale; and

25 (c) To qualify as an organization to which a sale is exempt under subsection (a)(3)  
26 or (5) of this section, the organization shall file an application for an exemption certificate  
27 with the Comptroller.

32 (e) For a sale described under subsection (b)(7) of this section that is not otherwise  
33 exempt under this section, only that part of the sale price that qualifies for a deduction  
34 under the federal income tax as a charitable contribution under the regulations and  
35 guidelines of the Internal Revenue Service is exempt from the sales and use tax under this  
36 section.

3 (2) THIS SUBSECTION APPLIES ONLY TO A CHARITABLE  
4 ORGANIZATION THAT IS SUBJECT TO THE REQUIREMENTS OF § 6-623 OF THE  
5 BUSINESS REGULATION ARTICLE.

12 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE  
13 INTERPRETED AND APPLIED IN THE SAME MANNER AS THE PROHIBITION ON  
14 POLITICAL CAMPAIGN ACTIVITY UNDER § 501(C)(3) OF THE INTERNAL REVENUE  
15 CODE WAS INTERPRETED AND APPLIED BY THE INTERNAL REVENUE SERVICE AS OF  
16 JANUARY 19, 2025.

## Article – Tax – Property

23 7-202.

24 (a) In this section:

25 (1) "fraternal organization" means any organization that:

26 (i) is conducted solely for the benefit of its members and its  
27 beneficiaries;

28 (ii) is operated on a lodge system with a ritualistic activity; and

29 (iii) has a representative form of government;

30 (2) "fraternal organization" includes a sororal organization; and

31 (3) "fraternal organization" does not include:

- (i) any college or high school fraternity or sorority; or
- (ii) any other fraternal or sororal organization the membership of which is wholly or largely to students or graduates of an educational institution or school.

11 (ii) is owned by:

1. a nonprofit hospital;

2. a nonprofit charitable, fraternal, educational, or literary

14 organization including:

A. a public library that is authorized under Title 23 of the

## 16 Education Article; and

B. a men's or women's club that is a nonpolitical and nonstock

3. a corporation, limited liability company, or trustee that  
a sole benefit of an organization that qualifies for an exemption

21 under this section, or

4. a nonprofit housing corporation.

exemption under paragraph (1)(ii)1 of this subsection includes any property leased by a nonprofit hospital for more than 1 year under a lease except for cause.

26 (c) (1) This subsection does not apply to real property owned by a nonprofit  
27 charitable museum that:

28 (i) is open to the public; and

29 (ii) does not charge an admission fee.

1 organization is exempt from property tax, if the property is located outside of a municipal  
2 corporation or Baltimore City.

3 (3) Not more than 100 acres of real property of a nonprofit hospital that is  
4 appurtenant to the hospital is exempt from property tax.

5 (d) (1) Notwithstanding § 7-104 of this title and after filing the application  
6 provided by § 7-103 of this title, property tax on any property that is transferred to a  
7 nonprofit charitable organization is abated from the date during the taxable year when the  
8 instrument transferring title to the organization is recorded if:

9 (i) the property is transferred to a nonprofit charitable organization  
10 qualified under § 501(c)(3) of the Internal Revenue Code;

11 (ii) the property becomes exempt under this section;

12 (iii) the property has a value less than \$300,000 as listed in the  
13 records of the Department on the date when the instrument transferring title to the  
14 organization is recorded; and

15 (iv) the nonprofit charitable organization provides the Department  
16 evidence of the property tax it actually paid or reimbursed at the property settlement.

17 (2) The amount of property tax abated under this subsection may not  
18 exceed the amount of property tax actually paid or reimbursed by an eligible organization  
19 at the property settlement.

20 (E) (1) IN THIS SUBSECTION, “CHARITABLE ORGANIZATION” HAS THE  
21 MEANING STATED IN § 6-101 OF THE BUSINESS REGULATION ARTICLE.

22 (2) THIS SUBSECTION APPLIES ONLY TO A CHARITABLE  
23 ORGANIZATION THAT IS SUBJECT TO THE REQUIREMENTS OF § 6-623 OF THE  
24 BUSINESS REGULATION ARTICLE.

25 (3) (I) THE EXEMPTION PROVIDED UNDER THIS SECTION DOES  
26 NOT APPLY TO A CHARITABLE ORGANIZATION THAT IS EXEMPT FROM TAXATION  
27 UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE IF THE CHARITABLE  
28 ORGANIZATION PARTICIPATES IN OR INTERVENES IN, INCLUDING THROUGH  
29 PUBLICATION OR DISTRIBUTION OF STATEMENTS, A POLITICAL CAMPAIGN ON  
30 BEHALF OF OR IN OPPOSITION TO A CANDIDATE FOR PUBLIC OFFICE.

31 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE  
32 INTERPRETED AND APPLIED IN THE SAME MANNER AS THE PROHIBITION ON  
33 POLITICAL CAMPAIGN ACTIVITY UNDER § 501(C)(3) OF THE INTERNAL REVENUE

1 CODE WAS INTERPRETED AND APPLIED BY THE INTERNAL REVENUE SERVICE AS OF  
2 JANUARY 19, 2025.

3 (4) IF A REVOCATION OF A CHARITABLE ORGANIZATION'S  
4 TAX-EXEMPT STATUS IS ORDERED IN ACCORDANCE WITH § 6-623(F) OF THE  
5 BUSINESS REGULATION ARTICLE, THE CHARITABLE ORGANIZATION DOES NOT  
6 QUALIFY FOR THE PROPERTY TAX EXEMPTION UNDER THIS SECTION UNTIL THE  
7 TIME OF THE REVOCATION ELAPSES AS REQUIRED.

8 (5) PARAGRAPH (4) OF THIS SUBSECTION APPLIES BEGINNING WITH  
9 THE TAXABLE YEAR THAT THE REVOCATION OF A CHARITABLE ORGANIZATION'S  
10 TAX-EXEMPT STATUS IS ORDERED UNDER § 6-623(F) OF THE BUSINESS  
11 REGULATION ARTICLE.

12 7-204.

13 (A) Except as provided in § 6-302(d) of this article and subject to § 7-204.1 of this  
14 subtitle **AND EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION**, property  
15 that is owned by a religious group or organization is not subject to property tax if the  
16 property is actually used exclusively for:

17 (1) public religious worship;  
18 (2) a parsonage or convent; or  
19 (3) educational purposes.

20 (B) (1) IN THIS SUBSECTION, "CHARITABLE ORGANIZATION" HAS THE  
21 MEANING STATED IN § 6-101 OF THE BUSINESS REGULATION ARTICLE.

22 (2) THIS SUBSECTION APPLIES ONLY TO A CHARITABLE  
23 ORGANIZATION THAT IS SUBJECT TO THE REQUIREMENTS OF § 6-623 OF THE  
24 BUSINESS REGULATION ARTICLE.

25 (3) (I) THE EXEMPTION PROVIDED UNDER THIS SECTION DOES  
26 NOT APPLY TO A CHARITABLE ORGANIZATION THAT IS EXEMPT FROM TAXATION  
27 UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE IF THE CHARITABLE  
28 ORGANIZATION PARTICIPATES IN OR INTERVENES IN A POLITICAL CAMPAIGN ON  
29 BEHALF OF OR IN OPPOSITION TO A CANDIDATE FOR PUBLIC OFFICE, INCLUDING  
30 THROUGH PUBLICATION OR DISTRIBUTION OF STATEMENTS.

31 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE  
32 INTERPRETED IN THE SAME MANNER AS THE PROHIBITION ON POLITICAL  
33 CAMPAIGN ACTIVITY UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE WAS

1    **INTERPRETED AND APPLIED BY THE INTERNAL REVENUE SERVICE AS OF JANUARY**  
2    **19, 2025.**

3                    **(4) IF A REVOCATION OF A CHARITABLE ORGANIZATION'S**  
4    **TAX-EXEMPT STATUS IS ORDERED IN ACCORDANCE WITH § 6-623(F) OF THE**  
5    **BUSINESS REGULATION ARTICLE, THE CHARITABLE ORGANIZATION DOES NOT**  
6    **QUALIFY FOR THE PROPERTY TAX EXEMPTION UNDER THIS SECTION UNTIL THE**  
7    **TIME OF THE REVOCATION ELAPSES AS REQUIRED.**

8                    **(5) PARAGRAPH (4) OF THIS SUBSECTION APPLIES BEGINNING WITH**  
9    **THE TAXABLE YEAR THAT THE REVOCATION OF A CHARITABLE ORGANIZATION'S**  
10   **TAX-EXEMPT STATUS IS ORDERED UNDER § 6-623(F) OF THE BUSINESS**  
11   **REGULATION ARTICLE.**

12                  **SECTION 2. AND BE IT FURTHER ENACTED, That:**

13                  (a) In this section, "Johnson Amendment" means the provision contained in §  
14   501(c)(3) of the Internal Revenue Code that prohibits a federally tax-exempt entity from  
15   participating in or intervening in any political campaign on behalf of or in opposition to a  
16   candidate for public office, including through publication or distribution of statements, as  
17   that provision was interpreted and applied by the Internal Revenue Service as of January  
18   19, 2025.

19                  (b) Section 1 of this Act is contingent on any action by the President of the United  
20   States or the Internal Revenue Service or change in federal law that, in whole or in part,  
21   prevents the enforcement of, or renders null and void, the Johnson Amendment with  
22   respect to any charitable organization to which the provisions of § 6-623 of the Business  
23   Regulation Article apply.

24                  (c) (1) The Attorney General shall monitor action by the federal government  
25   to determine whether any action or change occurs as described under subsection (b) of this  
26   section.

27                  (2) If the Attorney General determines an action or change occurs as  
28   described under subsection (b) of this section, the Attorney General shall notify the  
29   Department of Legislative Services within 5 days after the determination is made.

30                  (d) If the Department of Legislative Services receives notice from the Attorney  
31   General as described under subsection (c)(2) of this section, Section 1 of this Act shall take  
32   effect on the date the notice is received by the Department of Legislative Services.

33                  **SECTION 3. AND BE IT FURTHER ENACTED, That, subject to Section 2 of this**  
34   **Act, this Act is an emergency measure, is necessary for the immediate preservation of the**  
35   **public health or safety, has been passed by a yea and nay vote supported by three-fifths of**  
36   **all the members elected to each of the two Houses of the General Assembly, and shall take**  
37   **effect from the date it is enacted.**