

HOUSE BILL 826

Q1, L6, C1

4r1668
CF 4r1666

By: **Delegate Stewart**

Introduced and read first time: January 31, 2024

Assigned to: Ways and Means and Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Taxation of Vacant Property, Certification of Company**
3 **Representatives, and Short-Term Rentals**

4 FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the
5 governing body of a county to set a special property tax rate for certain vacant
6 residential property; establishing a subclass of real property consisting of certain
7 vacant residential property; requiring an entity that owns residential real property
8 in the State to make a certain certification to the State Department of Assessments
9 and Taxation; authorizing the Mayor and City Council of Baltimore City or the
10 governing body of a county to adopt rules or regulations, by resolution or ordinance,
11 relating to high-intensity use of short-term rentals located in certain areas; and
12 generally relating to taxation and regulation of real property.

13 BY repealing and reenacting, with amendments,
14 Article – Tax – Property
15 Section 6–302 and 8–101(b)
16 Annotated Code of Maryland
17 (2019 Replacement Volume and 2023 Supplement)

18 BY adding to
19 Article – Corporations and Associations
20 Section 1–407
21 Annotated Code of Maryland
22 (2014 Replacement Volume and 2023 Supplement)

23 BY adding to
24 Article – Local Government
25 Section 13–1002
26 Annotated Code of Maryland
27 (2013 Volume and 2023 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Tax – Property**

4 6–302.

5 (a) Except as otherwise provided in this section and after complying with § 6–305
6 of this subtitle, in each year after the date of finality and before the following July 1, the
7 Mayor and City Council of Baltimore City or the governing body of each county annually
8 shall set the tax rate for the next taxable year on all assessments of property subject to that
9 county’s property tax.

10 (b) (1) Except as provided in subsection (c) of this section, §§ 6–305 and 6–306
11 of this subtitle and § 6–203 of this title:

12 (i) there shall be a single county property tax rate for all real
13 property subject to county property tax except for operating real property described in §
14 8–109(c) of this article; and

15 (ii) the county tax rate applicable to personal property and the
16 operating real property described in § 8–109(c) of this article shall be no more than 2.5
17 times the rate for real property.

18 (2) Paragraph (1) of this subsection does not affect a special rate prevailing
19 in a taxing district or part of a county.

20 [(c) (1) Intangible personal property is subject to county property tax as
21 otherwise provided in this title at a rate set annually, if:

22 (i) the intangible personal property has paid interest or dividends
23 during the 12 months that precede the date of finality;

24 (ii) interest or dividends were withheld on the intangible personal
25 property during the 12 months that precede the date of finality to avoid the tax under this
26 subsection;

27 (iii) the intangible personal property consists of newly issued bonds,
28 certificates of indebtedness, or evidences of debt on which interest is not in default; or

29 (iv) a stock dividend has been declared on the intangible personal
30 property during the 12 months that precede the date of finality.

31 (2) The county tax rate for the intangible personal property is 30 cents for
32 each \$100 of assessment.]

1 **(c) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**
2 **GOVERNING BODY OF A COUNTY MAY SET A SPECIAL RATE FOR IMPROVED**
3 **RESIDENTIAL PROPERTY CITED AS VACANT AND UNFIT FOR HABITATION OR OTHER**
4 **AUTHORIZED USE ON A HOUSING OR BUILDING VIOLATION NOTICE.**

5 8–101.

6 (b) Real property is a class of property and is divided into the following subclasses:

7 (1) land that is actively devoted to farm or agricultural use, assessed under
8 § 8–209 of this title;

9 (2) marshland, assessed under § 8–210 of this title;

10 (3) woodland, assessed under § 8–211 of this title;

11 (4) land of a country club or golf course, assessed under §§ 8–212 through
12 8–217 of this title;

13 (5) land that is used for a planned development, assessed under §§ 8–220
14 through 8–225 of this title;

15 (6) rezoned real property that is used for residential purposes, assessed
16 under §§ 8–226 through 8–228 of this title;

17 (7) operating real property of a railroad;

18 (8) operating real property of a public utility;

19 (9) property valued under § 8–105(a)(3) of this subtitle;

20 (10) conservation property, assessed under § 8–209.1 of this title; [and]

21 **(11) IMPROVED RESIDENTIAL PROPERTY CITED AS VACANT AND UNFIT**
22 **FOR HABITATION OR OTHER AUTHORIZED USE ON A HOUSING OR BUILDING**
23 **VIOLATION NOTICE; AND**

24 [(11)] **(12)** all other real property that is directed by this article to be
25 assessed.

26 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
27 as follows:

28 **Article – Corporations and Associations**

29 **1–407.**

1 (A) IN THIS SECTION, “ENTITY” HAS THE MEANING STATED IN § 1-501 OF
2 THIS TITLE.

3 (B) THIS SECTION APPLIES TO AN ENTITY THAT OWNS RESIDENTIAL REAL
4 PROPERTY IN THE STATE.

5 (C) AN ENTITY ANNUALLY SHALL FILE WITH THE DEPARTMENT A
6 CERTIFICATE:

7 (1) IN WRITING;

8 (2) AFFIRMED OR ACKNOWLEDGED UNDER OATH; AND

9 (3) DISCLOSING THE CORRECT CONTACT INFORMATION FOR A
10 REPRESENTATIVE OF THE ENTITY WHO HAS THE AUTHORITY TO COMMUNICATE
11 WITH THE PUBLIC ABOUT THE ENTITY.

12 (D) THE DEPARTMENT SHALL PROVIDE THE INFORMATION PROVIDED
13 UNDER SUBSECTION (C) OF THIS SECTION ON REQUEST BY A UNIT OF LOCAL
14 GOVERNMENT IN THE STATE.

15 **Article – Local Government**

16 **13-1002.**

17 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
18 INDICATED.

19 (2) “SHORT-TERM RENTAL” MEANS THE TEMPORARY USE OF A
20 SHORT-TERM RENTAL UNIT TO PROVIDE ACCOMMODATION TO TRANSIENT GUESTS
21 FOR LODGING PURPOSES IN EXCHANGE FOR CONSIDERATION.

22 (3) (I) “SHORT-TERM RENTAL UNIT” MEANS A RESIDENTIAL
23 DWELLING UNIT OR A PORTION OF THE UNIT USED FOR SHORT-TERM RENTALS.

24 (II) “SHORT-TERM RENTAL UNIT” INCLUDES A SINGLE-FAMILY
25 HOUSE OR DWELLING, A MULTIFAMILY HOUSE OR DWELLING, AN APARTMENT, A
26 CONDOMINIUM, OR A COOPERATIVE.

27 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
28 GOVERNING BODY OF A COUNTY MAY ADOPT RULES OR REGULATIONS, BY
29 RESOLUTION OR ORDINANCE, RELATING TO HIGH-INTENSITY USE OF SHORT-TERM

1 RENTALS IN AREAS LACKING AN ADEQUATE SUPPLY OF AFFORDABLE HOUSING,
2 INCLUDING A RULE OR REGULATION THAT DEFINES A HIGH-INTENSITY USE OF
3 SHORT-TERM RENTALS BASED ON:

4 (1) THE NUMBER OF NIGHTS BOOKED;

5 (2) INFRASTRUCTURE CONSTRAINTS IN THE AREA SURROUNDING
6 THE SHORT-TERM RENTAL UNITS;

7 (3) WHETHER THE SHORT-TERM RENTAL UNITS ARE
8 OWNER-OCCUPIED;

9 (4) CRITERIA TO IDENTIFY AREAS LACKING AN ADEQUATE SUPPLY OF
10 AFFORDABLE HOUSING; AND

11 (5) ANY OTHER CRITERIA RELATING TO SHORT-TERM RENTALS.

12 SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be
13 applicable to all taxable years beginning after June 30, 2024.

14 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June
15 1, 2024.