

Department of Legislative Services  
Maryland General Assembly  
2024 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 369 (Senator Hettleman)  
Budget and Taxation

---

Property Tax Exemption – Rental Income – Reporting Requirement

---

This bill requires the owner of specified tax-exempt real property to report any rental income that is attributable to the property to the State Department of Assessments and Taxation (SDAT). The report must be submitted within 30 days after the execution of the lease agreement in a form and manner required by the department and must include a copy of the lease agreement. Leases that are for less than one year are exempt from these requirements. **The bill takes effect June 1, 2024, and applies to taxable years beginning after June 30, 2024.**

---

Fiscal Summary

**State Effect:** None. The bill is not expected to materially affect State operations or finances.

**Local Effect:** None.

**Small Business Effect:** Minimal.

---

Analysis

**Current Law:** Generally, State law exempts certain types of real property from property taxation such as government-owned, charitable, benevolent, educational, churches, veterans' organizations, fire companies, historical societies, and museums. SDAT is responsible for determining exemptions that are specified by law. The department is required by law to assess all exempt real property, except property owned by the federal government.

---

## **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 401 (Delegate Qi) - Ways and Means.

**Information Source(s):** State Department of Assessments and Taxation; Department of Legislative Services

**Fiscal Note History:** First Reader - January 29, 2024  
rh/hlb

---

Analysis by: Michael D. Sanelli

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510