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**By: Delegate Campbell**

Requested: June 25, 1996

Introduced and read first time: January 8, 1997

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Land Value Taxation**

3 FOR the purpose of establishing separate subclasses in real property for land and  
4 improvements to land; authorizing the Mayor and City Council of Baltimore City or  
5 the governing body of a county to set a special property tax rate for the subclass of  
6 land; and generally relating to enabling authority for counties to set a special  
7 property tax rate for land.

8 BY repealing and reenacting, with amendments,  
9 Article - Tax - Property  
10 Section 6-302 and 8-101(b)  
11 Annotated Code of Maryland  
12 (1994 Replacement Volume and 1996 Supplement)

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

15 **Article - Tax - Property**

16 6-302.

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

22 (b) (1) Except as provided in [subsection (c)] SUBSECTIONS (C) AND (D) of  
23 this section, §§ 6-305 and 6-306 of this subtitle and § 6-203 of this title, there shall be a  
24 single county property tax rate for all property subject to county property tax.

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

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

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

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

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

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

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

12 (D) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE  
13 GOVERNING BODY OF A COUNTY MAY SET A SPECIAL PROPERTY TAX RATE FOR  
14 THE SUBCLASS OF LAND.

15 8-101.

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

18 (1) land that is actively devoted to farm or agricultural use, assessed under §  
19 8-209 of this title;

20 (2) marshland, assessed under § 8-210 of this title;

21 (3) woodland, assessed under § 8-211 of this title;

22 (4) land of a country club, assessed under §§ 8-212 through 8-217 of this  
23 title;

24 (5) land that is used for a planned development, assessed under §§ 8-220  
25 through 8-225 of this title;

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

28 (7) operating real property of a railroad;

29 (8) operating real property of a public utility; [and]

30 (9) all other [real property] LAND that is directed by this article to be  
31 assessed; AND

32 (10) ALL OTHER IMPROVEMENTS TO LAND THAT ARE DIRECTED BY THIS  
33 ARTICLE TO BE ASSESSED.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
35 October 1, 1997.