
By: Delegates Gordon and Owings

Introduced and read first time: January 9, 1997

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 Recordation and Transfer Taxes - Exemption for Transfers to Grandchild

3 FOR the purpose of exempting from the recordation tax and the State transfer tax the
4 principal amount of debt assumed by a grandchild of the transferor in connection
5 with the transfer of property to the grandchild.

6 BY repealing and reenacting, with amendments,
7 Article - Tax - Property
8 Section 12-108(c)
9 Annotated Code of Maryland
10 (1994 Replacement Volume and 1996 Supplement)

11 BY repealing and reenacting, without amendments,
12 Article - Tax - Property
13 Section 13-207(a)(2)
14 Annotated Code of Maryland
15 (1994 Replacement Volume and 1996 Supplement)

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

18 **Article - Tax - Property**

19 12-108.

20 (c) When property is transferred subject to a mortgage or deed of trust, the
21 recordation tax does not apply to the principal amount of debt assumed by the transferee,
22 if the instrument of writing transfers the property from the transferor to a:

- 23 (1) spouse or former spouse;
- 24 (2) son or daughter;
- 25 (3) parent;
- 26 (4) son-in-law or daughter-in-law; [or]
- 27 (5) parent-in-law; OR

2

1 (6) GRANDCHILD.

2 13-207.

3 (a) An instrument of writing is not subject to transfer tax to the same extent that
4 it is not subject to recordation tax under:

5 (2) § 12-108(c) of this article (Transfer between relatives);

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 July 1, 1997.