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Q6  
HB 77/95 - W&M

1997 Regular Session  
7r0976

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**By: Delegates Gordon and Owings**

Introduced and read first time: January 9, 1997

Assigned to: Ways and Means

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Committee Report: Favorable

House action: Adopted

Read second time: March 11, 1997

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CHAPTER \_\_\_\_

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:

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1 (1) spouse or former spouse;

2 (2) son or daughter;

3 (3) parent;

4 (4) son-in-law or daughter-in-law; [or]

5 (5) parent-in-law; OR

6 (6) GRANDCHILD.

7 13-207.

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

10 (2) § 12-108(c) of this article (Transfer between relatives);

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