
By: Senator Bromwell

Introduced and read first time: January 24, 1997

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax Exemption - Continuing Care Facilities for the Aged**

3 FOR the purpose of repealing a certain requirement that a facility be exempt from
4 federal income tax to qualify for a certain property tax exemption for continuing
5 care facilities for the aged; extending the property tax exemption to property that is
6 used for providing services and activities, whether or not they are nonprofit services
7 and activities; and generally relating to a property tax exemption for property owned
8 by continuing care facilities for the aged.

9 BY repealing and reenacting, with amendments,
10 Article - Tax - Property
11 Section 7-206
12 Annotated Code of Maryland
13 (1994 Replacement Volume and 1996 Supplement)

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

16 **Article - Tax - Property**

17 7-206.

18 (a) In this section, "facility" means a continuing care facility for the aged that:

- 19 (1) provides continuing care as defined in Article 70B, § 7(c) of the Code;
20 (2) is licensed as a related institution under Title 19, Subtitle 3 of the Health
21 - General Article; AND
22 (3) is certified by the Office on Aging; and
23 (4) is exempt from federal income tax under § 501(c)(3) of the Internal
24 Revenue Code].

25 (b) Property that is not otherwise exempt from taxation under this section or §
26 7-202 of this subtitle is not subject to property tax if the property:

- 27 (1) is owned by a facility; and
28 (2) is used:

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1 (i) exclusively for religious worship;

2 (ii) exclusively for administration or for providing [nonprofit]
3 services and activities to residents, including that part of land reasonably allocable to
4 providing the administration, activities, or services, but may not include independent
5 living units; however, nothing in this paragraph affects those independent living units
6 qualifying for exemption under § 7-202 of this subtitle; or

7 (iii) to provide nursing care, domiciliary care, or comprehensive care
8 including:

9 1. the part of any central administrative or service facility that is
10 reasonably allocable to the licensed health care part of the facility; or

11 2. the part of any land that is reasonably allocable to the
12 licensed health care part of the facility.

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