
By: **Senators Hogan, Neall, and Middlebrooks**
Introduced and read first time: January 23, 1998
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Personal Property Tax - Small Businesses**

3 FOR the purpose of exempting from valuation and property tax personal property
4 owned and exclusively used by certain business entities owning certain tangible
5 personal property with a total original cost of less than a certain amount;
6 defining a certain term; providing for the application of this Act; and generally
7 relating to the personal property taxation of certain business entities owning
8 certain tangible personal property with a total original cost of less than a certain
9 amount.

10 BY adding to

11 Article - Tax - Property
12 Section 7-241
13 Annotated Code of Maryland
14 (1994 Replacement Volume and 1997 Supplement)

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

17 **Article - Tax - Property**

18 7-241.

19 (A) IN THIS SECTION, "SMALL BUSINESS" MEANS A BUSINESS ENTITY THAT
20 OWNS TANGIBLE PERSONAL PROPERTY WITH A TOTAL ORIGINAL COST OF LESS
21 THAN \$10,000, EXCLUDING VEHICLES EXEMPT UNDER § 7-230 OF THIS SUBTITLE.

22 (B) PERSONAL PROPERTY THAT IS OWNED AND EXCLUSIVELY USED BY A
23 SMALL BUSINESS IS NOT SUBJECT TO VALUATION OR TO PROPERTY TAX.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 1998 and shall be applicable to all taxable years beginning after June 30,
26 1999.