
By: **Delegates Bozman, C. Davis, McKee, Hurson, Phillips, Rudolph,
Marriott, Bartlett, Ports, Patterson, Conway, and McClenahan**

Introduced and read first time: February 11, 1999

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Recordation Tax and State Transfer Tax - Transfers Between Entities**
3 **Forming a Class I Railroad Carrier**

4 FOR the purpose of providing an exemption under the recordation tax and the State
5 transfer tax for certain instruments of writing that transfer title to real property
6 between entities for the purposes of forming a Class I Railroad Carrier;
7 providing for the termination of this Act; and generally relating to a certain
8 exemption under the recordation tax and the State transfer tax for certain
9 instruments of writing that transfer title to real property between entities for
10 the purposes of forming a Class I Railroad Carrier.

11 BY adding to
12 Article - Tax - Property
13 Section 12-108(z) and 13-207(a)(19)
14 Annotated Code of Maryland
15 (1994 Replacement Volume and 1998 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article - Tax - Property
18 Section 13-207(a)(17) and (18)
19 Annotated Code of Maryland
20 (1994 Replacement Volume and 1998 Supplement)

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

23 **Article - Tax - Property**

24 12-108.

25 (Z) AN INSTRUMENT OF WRITING IS NOT SUBJECT TO RECORDATION TAX IF
26 THE INSTRUMENT OF WRITING IS A TRANSFER OF TITLE TO REAL PROPERTY
27 BETWEEN ENTITIES FOR THE PURPOSE OF ESTABLISHING A RAILROAD DESIGNATED

1 BY THE UNITED STATES INTERSTATE COMMERCE COMMISSION AS A CLASS I
2 RAILROAD CARRIER.

3 13-207.

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

6 (17) § 12-108(x) of this article (Cooperative housing corporations); [or]

7 (18) § 12-108(y) of this article (Transfer from predecessor entity to limited
8 liability company)[.]; OR

9 (19) § 12-108(Z) OF THIS ARTICLE (TRANSFER BETWEEN ENTITIES
10 FORMING A CLASS I RAILROAD CARRIER).

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 1999. It shall remain effective for a period of 1 year and 6 months and, at the
13 end of December 31, 2000, with no further action required by the General Assembly,
14 this Act shall be abrogated and of no further force and effect.