

HOUSE BILL 515

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Q6

1999 Regular Session
9r1127

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

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 2, 1999

CHAPTER _____

1 AN ACT concerning

2 **Recordation Tax and State Transfer Tax - Transfers ~~Between Entities~~**
3 **~~Forming a From~~ Class I Railroad Carrier to Wholly-Owned Limited Liability**
4 **Company**

5 FOR the purpose of providing an exemption under the recordation tax and the State
6 transfer tax for certain instruments of writing that transfer title to real property
7 ~~between entities for the purposes of forming from~~ from a Class I Railroad Carrier to
8 its wholly-owned limited liability company; providing for the termination of this
9 Act; and generally relating to a certain exemption under the recordation tax and
10 the State transfer tax for certain instruments of writing that transfer title to
11 real property ~~between entities for the purposes of forming from~~ a Class I
12 Railroad Carrier to its wholly-owned limited liability company.

13 BY adding to
14 Article - Tax - Property
15 Section 12-108(z) and 13-207(a)(19)
16 Annotated Code of Maryland
17 (1994 Replacement Volume and 1998 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article - Tax - Property
20 Section 13-207(a)(17) and (18)
21 Annotated Code of Maryland
22 (1994 Replacement Volume and 1998 Supplement)

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

3 **Article - Tax - Property**

4 12-108.

5 (Z) AN INSTRUMENT OF WRITING IS NOT SUBJECT TO RECORDATION TAX IF
6 THE INSTRUMENT OF WRITING IS A TRANSFER OF TITLE TO REAL PROPERTY
7 ~~BETWEEN ENTITIES FOR THE PURPOSE OF ESTABLISHING FROM A RAILROAD~~
8 ~~DESIGNATED BY THE UNITED STATES INTERSTATE COMMERCE COMMISSION~~
9 SURFACE TRANSPORTATION BOARD AS A CLASS I RAILROAD CARRIER TO ITS
10 WHOLLY-OWNED LIMITED LIABILITY COMPANY.

11 13-207.

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

14 (17) § 12-108(x) of this article (Cooperative housing corporations); [or]

15 (18) § 12-108(y) of this article (Transfer from predecessor entity to limited
16 liability company)[.]; OR

17 (19) § 12-108(Z) OF THIS ARTICLE (TRANSFER ~~BETWEEN ENTITIES~~
18 ~~FORMING FROM~~ FROM A CLASS I RAILROAD CARRIER TO ITS WHOLLY-OWNED LIMITED
19 LIABILITY COMPANY).

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 ~~July~~ June 1, 1999. It shall remain effective for a period of 1 year and ~~6~~ 7 months and,
22 at the end of December 31, 2000, with no further action required by the General
23 Assembly, this Act shall be abrogated and of no further force and effect.