

SENATE BILL 71

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1999 Regular Session
9r0044

(PRE-FILED)

By: **Chairman, Budget and Taxation Committee (Departmental -
Assessments and Taxation)**

Requested: July 27, 1998

Introduced and read first time: January 13, 1999

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 2, 1999

CHAPTER _____

1 AN ACT concerning

2 **State Personal Property Tax - Exemption**

3 FOR the purpose of exempting all personal property from the State property tax;
4 repealing the requirement that the Board of Public Works certify a zero rate of
5 State taxation on personal property; providing for the application of this Act;
6 and generally relating to the State personal property tax.

7 BY repealing and reenacting, with amendments,
8 Article - State Finance and Procurement
9 Section 8-134
10 Annotated Code of Maryland
11 (1995 Replacement Volume and 1998 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article - Tax - Property
14 Section 7-301
15 Annotated Code of Maryland
16 (1994 Replacement Volume and 1998 Supplement)

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

1 **Article - State Finance and Procurement**

2 8-134.

3 (a) (1) Subject to the provisions of subsection (b) of this section, on or before
4 May 1 of each year, the Board shall certify to the governing body of each county the
5 rate of State tax on assessable property needed to meet the debt service requirements
6 during the next taxable year on all the State bonds that the Board anticipates will be
7 outstanding during that year.

8 [(2) For property that is described in § 7-301 of the Tax - Property
9 Article, the Board shall certify a rate of \$0 per \$100 of assessment.

10 (3) For all other property, including operating real property, the Board
11 shall certify a separate rate per \$100 of assessment.

12 (4)] (2) Each governing body immediately shall collect the tax at the
13 rate the Board certifies under this section.

14 (b) If, on or before May 1 of any year, the Comptroller certifies to the Board
15 that the General Assembly has appropriated enough money to meet the debt service
16 requirements during the next taxable year on an issue of State bonds:

17 (1) the Board, by resolution, may determine that the tax otherwise
18 required by the enabling act under which those State bonds are issued need not be
19 imposed for that year; and

20 (2) the Governor, by proclamation issued under the resolution, shall
21 declare that the taxes otherwise required by the enabling act may not be collected
22 during that year.

23 **Article - Tax - Property**

24 7-301.

25 [(a) All personal property is exempt from the State property tax [effective on
26 the repayment of all State bonds that are outstanding or authorized on or before June
27 30, 1984, and to which a State property tax on assessed property is pledged].

28 [(b) The State property tax rate for personal property shall be set as provided
29 by § 8-134 of the State Finance and Procurement Article.]

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
31 effect October 1, 1999 and be applicable to all taxable years beginning on or after July
32 1, 2000.

