HOUSE BILL 216

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By: Delegates Kach and Bozman

Introduced and read first time: January 24, 2000

Assigned to: Ways and Means

A BILL ENTITLED

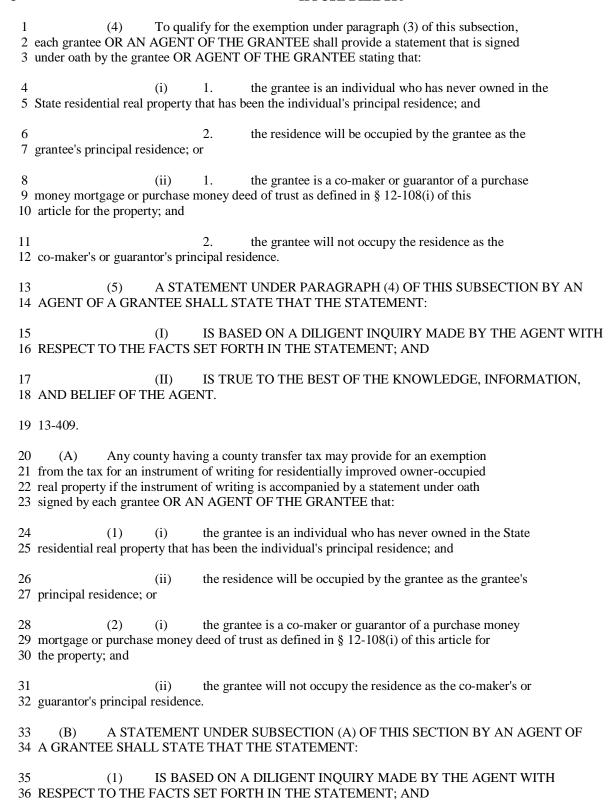
1 AN ACT concerning

2 State and Local Transfer Taxes - First-Time Maryland Home Buyers

- 3 FOR the purpose of altering certain provisions of law regarding recordation and
- 4 transfer taxes and certain first-time Maryland home buyers to allow a certain
- 5 affidavit evidencing that a grantee is a first-time Maryland home buyer to be
- 6 filed by an agent of the grantee; and generally relating to recordation and
- 7 transfer taxes and first-time Maryland home buyers.
- 8 BY repealing and reenacting, with amendments,
- 9 Article Real Property
- 10 Section 14-104(c)(5)
- 11 Annotated Code of Maryland
- 12 (1996 Replacement Volume and 1999 Supplement)
- 13 BY adding to
- 14 Article Real Property
- 15 Section 14-104(c)(6)
- 16 Annotated Code of Maryland
- 17 (1996 Replacement Volume and 1999 Supplement)
- 18 BY repealing and reenacting, with amendments,
- 19 Article Tax Property
- 20 Section 13-203(b) and 13-409
- 21 Annotated Code of Maryland
- 22 (1994 Replacement Volume and 1999 Supplement)
- 23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 24 MARYLAND, That the Laws of Maryland read as follows:

1 Article - Real Property 2 14-104. 3 Paragraphs (1) and (2) of this subsection apply only if each grantee (c) 4 OR AN AGENT OF THE GRANTEE provides a statement that is signed under oath by the 5 grantee OR AGENT OF THE GRANTEE stating that: The grantee is a first-time Maryland home buyer as 6 1. 7 defined under subsection (a) of this section; and 8 2. The residence will be occupied by the grantee as the grantee's principal residence; or 10 The grantee is a co-maker or guarantor of a purchase 11 money mortgage or purchase money deed of trust as defined in § 12-108(i) of the Tax 12 - Property Article for the property; and 13 The grantee will not occupy the residence as the 14 co-maker's or guarantor's principal residence. A STATEMENT UNDER PARAGRAPH (5) OF THIS SUBSECTION BY AN 15 16 AGENT OF A GRANTEE SHALL STATE THAT THE STATEMENT: IS BASED ON A DILIGENT INQUIRY MADE BY THE AGENT WITH 17 (I) 18 RESPECT TO THE FACTS SET FORTH IN THE STATEMENT; AND 19 (II)IS TRUE TO THE BEST OF THE KNOWLEDGE, INFORMATION, 20 AND BELIEF OF THE AGENT. 21 **Article - Tax - Property** 22 13-203. 23 In this subsection, "first-time Maryland home buyer" means an 24 individual who has never owned in the State residential real property that has been the individual's principal residence. If there are two or more grantees, this subsection does not apply 26 (2) 27 unless each grantee is a first-time Maryland home buyer or a co-maker or guarantor 28 of a purchase money mortgage or purchase money deed of trust as defined in § 29 12-108(i) of this article for the property and the co-maker or guarantor will not 30 occupy the residence as the co-maker's or guarantor's principal residence. 31 (3)Notwithstanding any other provision of law, for a sale of improved 32 residential real property to a first-time Maryland home buyer who will occupy the 33 property as a principal residence, the rate of the transfer tax is 0.25% of the 34 consideration payable for the instrument of writing and the transfer tax shall be paid 35 entirely by the seller.

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- 1 (2) IS TR 2 BELIEF OF THE AGENT. IS TRUE TO THE BEST OF THE KNOWLEDGE, INFORMATION, AND
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 4 July 1, 2000.