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2000 Regular Session 0lr1301

By: Senator Jacobs

Introduced and read first time: January 21, 2000 Assigned to: Budget and Taxation

A BILL ENTITLED

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1	AN ACT concerning					
2 3		Record	ation and Transfer Taxes - Exemptions - Limited Liability Companies			
4 5 6 7 8	FOR the purpose of altering the exemption from recordation and transfer taxes for an instrument of writing that transfers title to real property to a limited liability company to include transfers to multiple limited liability companies; and generally relating to recordation and transfer taxes and limited liability companies.					
9 10 11 12 13	Section 12-108(y) and 13-207(a) Annotated Code of Maryland					
14 15	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:					
16			Article - Tax - Property			
17	12-108.					
18	(y) (1)	In this s	ubsection, "predecessor entity" includes a:			
19		(i)	general partnership;			
20		(ii)	limited partnership;			
21		(iii)	limited liability partnership;			
22		(iv)	limited liability limited partnership;			
23 24	involved principally	(v) in buying	proprietorship, comprised of one or more individuals, which is g, selling, leasing, or managing real property; and			
25		(vi)	joint venture.			

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		An instrument of writing that transfers title to real property from a r a trustee or nominee of a predecessor entity to a limited liability PANIES is not subject to recordation tax if:
6	COMPANIES are id	(i) 1. the members of the limited liability company OR dentical to the partners of the converting general partnership, limited liability partnership, or limited liability limited
	COMPANIES are io	2. the members of the limited liability company OR dentical to the individual or individuals of the converting
11 12		3. the members of the limited liability company OR dentical to the joint venturers of the converting joint venture;
	liability company C	(ii) each member's allocation of the profits and losses of the limited DR COMPANIES is identical to that member's allocation of the f the converting predecessor entity; and
	represents the disso	(iii) the instrument of writing that transfers title to real property slution of the predecessor entity for purposes of conversion to a npany OR COMPANIES.
19	13-207.	
20 21		strument of writing is not subject to transfer tax to the same extent to recordation tax under:
22	(1)	§ 12-108(a) of this article (Transfer to government or public agency);
23	(2)	§ 12-108(c) of this article (Transfer between relatives);
24	(3)	§ 12-108(d) of this article (Transfer between spouses);
25	(4)	§ 12-108(e) of this article (Supplemental instrument);
26	5 (5)	§ 12-108(f) of this article (Previously recorded instrument);
27	(6)	§ 12-108(1) of this article (Judgments);
28	3 (7)	§ 12-108(n) of this article (Order of satisfaction);
29	(8)	§ 12-108(o) of this article (Participation agreement);
30 31	(9) related corporations	§ 12-108(p) of this article (Transfer of corporate property between s);
32	(10)	§ 12-108(q) of this article (Corporate or partnership conveyance);
33	(11)	§ 12-108(r) of this article (Land installment contracts);

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1	(12)	§ 12-108(s) of this article (Options to purchase real property);
2	(13)	§ 12-108(t) of this article (Deed for prior contract of sale);
3	(14)	§ 12-108(u) of this article (Leases of 7 years or less);
4	(15)	§ 12-108(v) of this article (Mergers);
5	(16)	§ 12-108(w) of this article (Consolidations);
6	(17)	§ 12-108(x) of this article (Cooperative housing corporations);
7 8 liability co	(18) mpany Ol	§ 12-108(y) of this article (Transfer from predecessor entity to limited R COMPANIES); or
9 10 its wholly	(19) -owned lin	§ 12-108(z) of this article (Transfer from a Class I Railroad Carrier to mited liability company).

- 11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 12 July 1, 2000.