

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

Senate Bill 878 (Senator Sfikas. *et al.*)

Judicial Proceedings

Real Property - Recordation - Acceptance by Section 501(c)(3) Entities

This bill prohibits an instrument that transfers property to or names as a beneficiary an entity that is exempt from taxation under Section 501(c)(3) of the federal Internal Revenue Code from being recorded unless the instrument includes or is accompanied by written acceptance by the entity.

Fiscal Summary

State Effect: The bill's requirements could be handled with existing budgeted resources of the Judiciary. Any effect on recordation and State transfer tax revenues cannot be accurately estimated at this time, but is assumed to be negligible.

Local Effect: Minimal.

Small Business Effect: Minimal.

Analysis

Current Law: No provision of law prohibits recording an instrument transferring real property or naming a beneficiary interest in real property without the consent of the grantee or beneficiary.

Background: Entities exempt from taxation under Section 501(c)(3) of the federal Internal Revenue Code include those organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes. Exempt organizations may not attempt to influence legislation or intervene in a political campaign.

Additional Information

Prior Introductions: None.

Cross File: HB 1044 (Delegate Rosenberg, *et al.*) - Economic Matters.

Information Source(s): Judiciary (Administrative Office of the Courts); Prince George's, Washington, and Worcester counties; Department of Legislative Services

Fiscal Note History: First Reader - March 9, 2000

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