

SENATE BILL 430

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Q1

2002 Regular Session  
(2r1162)

**ENROLLED BILL**  
-- Budget and Taxation/Ways and Means --

Introduced by **Senators Hogan, Lawlah, Middleton, Munson, and Neall**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~Property Tax - Personal Property - Reports~~ Personal Property Tax - Refunds  
3 and Reports

4 FOR the purpose of authorizing ~~an individual~~ a person who has filed a personal  
5 property tax report with the Department of Assessments and Taxation to file an  
6 amended report within a certain time under certain circumstances; requiring  
7 the Department to provide certain notice to ~~an individual~~ a person who files a  
8 certain amended report; requiring that a person shall receive a refund of excess  
9 property tax paid under certain circumstances; repealing the requirement that  
10 ~~an individual~~ a person submit a petition for review to the Department to appeal  
11 personal property assessments under certain circumstances; providing that a  
12 municipal corporation may pay a claim for a refund of personal property tax  
13 without interest within a certain period after the claim is approved under certain  
14 circumstances; and generally relating to ~~authorizing individuals to file amended~~  
15 ~~property tax reports~~ refunds and reports for personal property tax.

16 BY repealing and reenacting, with amendments,

1 Article - Tax - Property  
 2 Section 8-415, 14-510(a), 14-512(a), 14-611, 14-905(a), ~~14-906(b)~~ 14-906(a)  
 3 and (b), and 14-915  
 4 Annotated Code of Maryland  
 5 (2001 Replacement Volume and 2001 Supplement)

6 BY adding to  
 7 Article - Tax - Property  
 8 Section 11-103 and 14-919  
 9 Annotated Code of Maryland  
 10 (2001 Replacement Volume and 2001 Supplement)

11 BY repealing  
 12 Article - Tax - Property  
 13 Section 14-505  
 14 Annotated Code of Maryland  
 15 (2001 Replacement Volume and 2001 Supplement)

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

18 **Article - Tax - Property**

19 8-415.

20 The owner of property may submit a petition for review:

21 (1) for real property, as provided by § 14-503(a) of this article; and

22 (2) for personal property, as provided by [§§ 14-503(b) and 14-505] §  
 23 14-503(B) of this article.

24 11-103.

25 (A) IF A PERSON WHO HAS FILED A REPORT UNDER THIS TITLE DETERMINES  
 26 THAT INFORMATION WAS NOT REPORTED ACCURATELY, THAT PERSON MAY FILE AN  
 27 AMENDED REPORT WITHIN 3 YEARS AFTER THE APRIL 15TH THAT THE ORIGINAL  
 28 REPORT WAS DUE.

29 (B) A PERSON FILING AN AMENDED REPORT UNDER SUBSECTION (A) OF THIS  
 30 SECTION MAY ONLY CLAIM AN EXEMPTION FOR PERSONAL PROPERTY USED IN  
 31 MANUFACTURING IF AN EXEMPTION FOR PERSONAL PROPERTY USED IN THE  
 32 MANUFACTURING PROCESS WAS PREVIOUSLY APPROVED FOR THAT TAXABLE YEAR  
 33 PURSUANT TO §§ 7-104(B) AND 7-225(D) OF THIS ARTICLE.

34 (C) AFTER REVIEWING AN AMENDED REPORT, THE DEPARTMENT SHALL  
 35 EITHER:

1 (1) ISSUE A CORRECTED ASSESSMENT NOTICE; OR

2 (2) NOTIFY THE PERSON THAT THE ORIGINAL ASSESSMENT NOTICE  
3 WILL NOT BE ADJUSTED.

4 (D) A PERSON WHO RECEIVES A NOTICE UNDER SUBSECTION (C) OF THIS  
5 SECTION MAY APPEAL THE CHANGE IN VALUE OR CLASSIFICATION RELATED TO THE  
6 CORRECTED INFORMATION OR THE DENIAL NOTICE AS PROVIDED IN § 14-504 OF  
7 THIS ARTICLE.

8 [14-505.

9 (a) For personal property assessed by the Department, the owner who  
10 reported cost or market information for the personal property to the Department but  
11 failed to report the information accurately may appeal the value or classification of  
12 the personal property set forth in the notice of assessment by submitting a petition for  
13 review to the Department if:

14 (1) the owner claims that the personal property is valued at a higher  
15 value than if the information had been reported accurately; and

16 (2) the appeal is made within 3 years of the date of the notice of  
17 assessment.

18 (b) If the requirements of subsection (a) of this section are met, the  
19 Department shall hold a hearing as provided under § 14-510 of this subtitle.]

20 14-510.

21 (a) In this section, "hearing" means a hearing held on an appeal under §  
22 14-502, § 14-503, § 14-504, [§ 14-505,] or § 14-509 of this subtitle.

23 14-512.

24 (a) Any taxpayer, the governing body of a county, a municipal corporation, or  
25 the Attorney General may appeal a final action by the Department on an appeal  
26 under § 14-504 [or § 14-505] of this subtitle to the Maryland Tax Court. The appeal  
27 shall be made on or before 30 days from:

28 (1) the date of the final action of the Department; or

29 (2) the earlier of the date of delivery or mailing of the notice of the final  
30 action to the address specified under § 14-507 of this subtitle, if a request is made  
31 under § 14-507 of this subtitle.

32 14-611.

33 [On] SUBJECT TO § 14-919 OF THIS TITLE, ON the final determination of an  
34 appeal under Subtitle 5 of this title, any money paid by a taxpayer that exceeds the  
35 amount properly chargeable under the determination shall be refunded at the same

1 rate of interest that the taxes would have borne if the taxes were determined to have  
 2 been overdue.

3 14-905.

4 (a) [A] SUBJECT TO § 14-919 OF THIS SUBTITLE, A person who submits a  
 5 written refund claim to the appropriate collector for county or municipal corporation  
 6 property tax erroneously or mistakenly paid to the collector is eligible for a refund of  
 7 the amount paid that exceeds the amount that is properly and legally chargeable to or  
 8 collectible from the person.

9 14-906.

10 (a) A person shall receive a refund of excess property tax paid on property  
 11 without submitting a refund claim to the collector if the payment is erroneous due to:

12 (1) a lower final property tax liability than[

13 (1)] the advance property tax payment made under § 10-205 of this  
 14 article; [or ]

15 (2) A LOWER FINAL PROPERTY TAX LIABILITY THAN the estimated  
 16 property tax payment made under § 10-210 of this article; OR

17 (3) A CORRECTED ASSESSMENT ISSUED BY THE DEPARTMENT UNDER §  
 18 11-103(C) OF THIS ARTICLE.

19 (b) [(1)] If a person submits a refund claim to the collector within the time  
 20 required by § 14-915 of this subtitle, the person shall receive a refund of excess  
 21 property tax paid on personal property if the payment is erroneous due to[

22 (i) a determination by the appropriate supervisor or the  
 23 Department that the payment is based on an erroneous assessment that did not allow  
 24 for an exemption to which the person was entitled by regulation, administrative  
 25 interpretation, or controlling case law at the time of the assessment; or

26 (ii)] a lower final property tax liability than the advance property  
 27 tax payment made under § 10-206 of this article.

28 [(2) The person is eligible for a property tax refund under paragraph (1)(i)  
 29 of this subsection whether or not the person has submitted a protest or appealed the  
 30 assessment.]

31 14-915.

32 To be eligible for a refund, a person must submit a refund claim on or before:

33 (1) 3 years from the date that the property tax is paid, for a claim under  
 34 § 14-904, § 14-905(a), (b), or (d), or § 14-906(c) of this subtitle;

1           (2)     3 years from the date that the recordation tax is paid, for a claim  
2 under § 14-907 of this subtitle;

3           (3)     3 years from the date that the transfer tax is paid, for a claim under  
4 § 14-908 of this subtitle; OR

5           (4)     [1 year from the date of finality of the erroneous assessment of  
6 personal property for which a claim is submitted under § 14-906(b)(1)(i) of this  
7 subtitle; or

8           (5)]     1 year from the date that the tax rate is fixed for the taxable year  
9 following an advance payment of property tax on personal property for which a claim  
10 is submitted under [§ 14-906(b)(1)(ii)] § 14-906(B) of this subtitle.

11 14-919.

12     NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, A MUNICIPAL  
13 CORPORATION MAY PAY A CLAIM FOR A REFUND OF PERSONAL PROPERTY TAX  
14 WITHOUT INTEREST WITHIN 3 YEARS AFTER THE REFUND CLAIM IS APPROVED IF  
15 THE DEPARTMENT DETERMINES THAT THE REFUND IS A RESULT OF A FAILURE TO  
16 FILE A REPORT WHEN DUE OR OTHER TAXPAYER ERROR.

17     SECTION 2. AND BE IT FURTHER ENACTED, That notwithstanding §  
18 11-103(a) of the Tax - Property Article as enacted under Section 1 of this Act, a  
19 person may file an amended personal property report that was originally due on April  
20 15, 1999 on or before April 15, 2003.

21     SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 July 1, 2002.