

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 250 (Delegate Schisler)
Economic Matters

Cemeteries - Exemption from Perpetual Care Trust Fund Requirements

This bill exempts a cemetery that is owned and operated by a not for profit organization created before 1900 that maintains a perpetual care trust fund (PCTF) that does not exceed \$250,000 from the statutory provisions relating to perpetual care cemeteries.

Fiscal Summary

State Effect: The bill would not directly affect State operations or finances.

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Current Law: A PCTF is required of each cemetery established after October 1, 2001, unless a cemetery is exempted because it is smaller than one acre, or it is owned and operated by a county, a municipal corporation, a church, a synagogue, a religious organization, a State veterans agency, or a not for profit organization created before 1900 by an act of the General Assembly.

Initial PCTF deposits are \$10,000 for cemeteries ten acres or less and \$25,000 for cemeteries more than ten acres. Additional deposits may be either 10% of the selling price or 35 cents for each square foot of land burial space.

Background: For cemeteries created prior to October 2001, the establishment of a PCTF was required only if perpetual care was stated or implied; however, many cemeteries have established and maintain a PCTF voluntarily.

The Office of Cemetery Oversight (OCO) requires an annual report, certified as to correctness by a certified public accountant, for each PCTF. The report requires a \$25 filing fee, and OCO reports that CPA fees can range from \$500 to a few thousand dollars depending on the annual sales of a PCTF cemetery.

Chapter 186 of 2001 exempted a cemetery owned and operated by a State veterans agency from the statutory provisions relating to perpetual care cemeteries.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

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