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By: **Delegate Holmes**

Introduced and read first time: January 23, 2004

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Recordation and Transfer Taxes - Payment**

3 FOR the purpose of authorizing a buyer to elect to pay recordation and transfer taxes  
4 in certain installments over a certain period of time; and generally relating to  
5 payment of recordation and transfer taxes.

6 BY repealing and reenacting, with amendments,  
7 Article - Tax - Property  
8 Section 12-109 and 13-208  
9 Annotated Code of Maryland  
10 (2001 Replacement Volume and 2003 Supplement)

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

13 **Article - Tax - Property**

14 12-109.

15 (a) (1) [An] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION,  
16 AN instrument of writing that is taxable under this title may not be recorded in any  
17 county until the recordation tax has been paid as provided by subsection (b) of this  
18 section.

19 (2) An instrument of writing that is taxable under this title may not be  
20 filed with the Department until the recordation tax has been paid as provided by  
21 subsection (b) of this section.

22 (3) A BUYER MAY ELECT TO PAY THE RECORDATION TAX UNDER THIS  
23 TITLE IN EQUAL PAYMENT INSTALLMENTS OVER A PERIOD OF 1 YEAR FROM THE  
24 DATE OF PURCHASE.

25 (b) (1) Except as provided in paragraph (2) of this subsection, the  
26 recordation tax on an instrument of writing or a security agreement recorded under  
27 subsection (a)(1) of this section in any county shall be paid to the collector or the clerk  
28 of the circuit court for the county, as designated by the governing body of the county.

1           (2)     In Prince George's County, the recordation tax on an instrument of  
2 writing or a security agreement recorded under subsection (a)(1) of this section shall  
3 be paid to the Director of Finance of Prince George's County.

4           (3)     The recordation tax on articles of transfer, articles of merger, articles  
5 of consolidation or other documents which evidence a merger or consolidation of  
6 foreign corporations, foreign partnerships, foreign limited liability companies, or  
7 foreign limited partnerships filed with the Department shall be paid to the  
8 Department.

9 13-208.

10       (a)     Transfer tax on an instrument of writing that is taxable under this subtitle  
11 shall be paid to the clerk of the circuit court where the instrument of writing is  
12 recorded or to the Department.

13       (b)     (1)     [An] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,  
14 AN instrument of writing taxable under this subtitle may not be recorded in any  
15 county unless a statement is attached to or stamped on the instrument of writing that  
16 indicates:

17           [(1)]   (I)     that transfer tax has been paid; and

18           [(2)]   (II)    the amount of transfer tax paid.

19           (2)     A BUYER MAY ELECT TO PAY THE TRANSFER TAX UNDER THIS  
20 SUBTITLE IN EQUAL PAYMENT INSTALLMENTS OVER A PERIOD OF 1 YEAR FROM THE  
21 DATE OF PURCHASE.

22       (c)     The presence of the statement required by subsection (b) of this section on  
23 an instrument of writing is prima facie evidence of payment of transfer tax.

24       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 July 1, 2004.