
By: **Chairman, Ways and Means Committee (By Request - Departmental - Assessments and Taxation)**

Introduced and read first time: January 19, 2005

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax Exemptions - Charitable or Educational Purposes -**
3 **Requirements**

4 FOR the purpose of altering certain ownership requirements for property to be
5 eligible for a property tax exemption for charitable or educational purposes; and
6 generally relating to requirements for a certain property tax exemption.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - Property
9 Section 7-202(b)
10 Annotated Code of Maryland
11 (2001 Replacement Volume and 2004 Supplement)

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

14 **Article - Tax - Property**

15 7-202.

16 (b) (1) Except as provided in subsection (c) of this section, property is not
17 subject to property tax if the property:

18 (i) is necessary for and actually used exclusively for a charitable or
19 educational purpose to promote the general welfare of the people of the State,
20 including an activity or an athletic program of an educational institution; and

21 (ii) is owned by:

22 1. a nonprofit hospital;

23 2. a nonprofit charitable, fraternal, educational, or literary
24 organization including:

1 A. a public library that is authorized under Title 23 of the
2 Education Article; and

3 B. a men's or women's club that is a nonpolitical and
4 nonstock club;

5 3. a corporation, LIMITED LIABILITY COMPANY, or trustee
6 that holds the property for the sole benefit of an organization that qualifies for an
7 exemption under this section; or

8 4. a nonprofit housing corporation.

9 (2) The exemption under paragraph (1)(i)1. of this subsection includes
10 any personal property initially leased by a nonprofit hospital for more than 1 year
11 under a lease that is noncancellable except for cause.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
13 effect June 1, 2005.