
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

Committee Report: Favorable

House action: Adopted

Read second time: February 15, 2005

CHAPTER _____

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

- 1 (ii) is owned by:
- 2 1. a nonprofit hospital;
- 3 2. a nonprofit charitable, fraternal, educational, or literary
4 organization including:
- 5 A. a public library that is authorized under Title 23 of the
6 Education Article; and
- 7 B. a men's or women's club that is a nonpolitical and
8 nonstock club;
- 9 3. a corporation, LIMITED LIABILITY COMPANY, or trustee
10 that holds the property for the sole benefit of an organization that qualifies for an
11 exemption under this section; or
- 12 4. a nonprofit housing corporation.

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

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