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

Introduced and read first time: January 24, 2005

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax - Exemptions - Property on Military Installations**

3 FOR the purpose of exempting from property taxation an interest of a person in
4 certain property owned by the federal government or the State and used for
5 national defense purposes or to house military personnel and their dependents;
6 exempting from property taxation certain property on a military installation
7 and used for national defense or military housing purposes; providing for the
8 application of this Act; and generally relating to property tax exemptions for
9 interests in government owned properties.

10 BY repealing and reenacting, with amendments,
11 Article - Tax - Property
12 Section 7-211(a)
13 Annotated Code of Maryland
14 (2001 Replacement Volume and 2004 Supplement)

15 BY adding to
16 Article - Tax - Property
17 Section 7-211.2
18 Annotated Code of Maryland
19 (2001 Replacement Volume and 2004 Supplement)

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

22 **Article - Tax - Property**

23 7-211.

24 (A) (1) IN THIS SUBSECTION, "NATIONAL DEFENSE" INCLUDES HOMELAND
25 SECURITY.

1 [(a)] (2) An interest of a person in personal property of the federal
2 government or of the State is not subject to property tax if the person holds an
3 interest in the property under a contract with the federal government or the State for:

4 [(1)] (I) manufacturing, constructing, or assembling equipment,
5 supplies, or component parts for national defense purposes; or

6 [(2)] (II) research or development for national defense purposes.

7 (3) AN INTEREST OF A PERSON IN PERSONAL PROPERTY OR REAL
8 PROPERTY OF THE FEDERAL GOVERNMENT OR OF THE STATE IS NOT SUBJECT TO
9 PROPERTY TAX IF THAT PROPERTY:

10 (I) IS SITUATED ON LAND THAT IS OWNED BY THE FEDERAL
11 GOVERNMENT AND LOCATED WITHIN THE DEFINED BOUNDARIES OF A MILITARY
12 INSTALLATION; AND

13 (II) IS USED FOR NATIONAL DEFENSE PURPOSES OR FOR HOUSING
14 FOR MILITARY PERSONNEL AND THEIR FAMILIES.

15 7-211.2.

16 (A) IN THIS SECTION, "NATIONAL DEFENSE" INCLUDES HOMELAND SECURITY.

17 (B) PERSONAL PROPERTY OR REAL PROPERTY IS NOT SUBJECT TO PROPERTY
18 TAX IF THAT PROPERTY:

19 (1) IS SITUATED ON LAND THAT IS OWNED BY THE FEDERAL
20 GOVERNMENT AND LOCATED WITHIN THE DEFINED BOUNDARIES OF A MILITARY
21 INSTALLATION; AND

22 (2) IS USED FOR NATIONAL DEFENSE PURPOSES OR FOR HOUSING FOR
23 MILITARY PERSONNEL AND THEIR FAMILIES.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
25 effect June 1, 2005, and shall be applicable for all tax years beginning after June 30,
26 2005.