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By: **Delegate Kullen**

Introduced and read first time: February 23, 2005

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Recordation Tax and State Transfer Tax - Exemption for Transfer to Brother**  
3                                   **or Sister**

4 FOR the purpose of exempting from recordation tax and State transfer tax certain  
5 instruments of writing transferring property from a transferor to a brother or  
6 sister; and generally relating to an exemption from recordation tax and State  
7 transfer tax for certain instruments of writing transferring property from a  
8 transferor to certain relatives.

9 BY repealing and reenacting, with amendments,  
10 Article - Tax - Property  
11 Section 12-108(c)  
12 Annotated Code of Maryland  
13 (2001 Replacement Volume and 2004 Supplement)

14 BY repealing and reenacting, without amendments,  
15 Article - Tax - Property  
16 Section 13-207(a)(2)  
17 Annotated Code of Maryland  
18 (2001 Replacement Volume and 2004 Supplement)

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

21                                   **Article - Tax - Property**

22 12-108.

23 (c) When property is transferred subject to a mortgage or deed of trust, the  
24 recordation tax does not apply to the principal amount of debt assumed by the  
25 transferee, if the instrument of writing transfers the property from the transferor to  
26 a:

27 (1) spouse or former spouse;

1 (2) son, daughter, stepson, or stepdaughter;

2 (3) parent or stepparent;

3 (4) son-in-law, daughter-in-law, stepson-in-law, or  
4 stepdaughter-in-law;

5 (5) parent-in-law or stepparent-in-law; [or]

6 (6) BROTHER OR SISTER; OR

7 [(6)] (7) grandchild or stepgrandchild.

8 13-207.

9 (a) An instrument of writing is not subject to transfer tax to the same extent  
10 that it is not subject to recordation tax under:

11 (2) § 12-108(c) of this article (Transfer between relatives);

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