
By: ~~Delegate Kullen~~ Delegates Kullen, Bartlett, Boschert, Bozman, Cardin, Crvor, C. Davis, Elmore, Gilleland, Goodwin, Gordon, Healey, Heller, Hixson, Howard, Kaiser, King, Marriott, McKee, Myers, Patterson, Ramirez, and Ross

Introduced and read first time: February 23, 2005

Assigned to: Rules and Executive Nominations

Re-referred to: Ways and Means, March 3, 2005

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 21, 2005

CHAPTER _____

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:

1

Article - Tax - Property

2 12-108.

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

- 7 (1) spouse or former spouse;
- 8 (2) son, daughter, stepson, or stepdaughter;
- 9 (3) parent or stepparent;
- 10 (4) son-in-law, daughter-in-law, stepson-in-law, or
11 stepdaughter-in-law;
- 12 (5) parent-in-law or stepparent-in-law; [or]
- 13 (6) BROTHER OR SISTER; OR
- 14 [(6)] (7) grandchild or stepgrandchild.

15 13-207.

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

- 18 (2) § 12-108(c) of this article (Transfer between relatives);

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