
By: **Senator Dyson**
Introduced and read first time: January 28, 2005
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax - Assessment of Conservation Property**

3 FOR the purpose of altering the valuation and assessment for property tax purposes
4 of certain property subject to certain perpetual conservation easements under
5 certain circumstances; providing for a new subclass of real property for
6 assessment purposes; providing for the application of this Act; and generally
7 relating to the valuation and assessment of certain property subject to perpetual
8 conservation easements.

9 BY repealing and reenacting, with amendments,
10 Article - Tax - Property
11 Section 8-101(b) and 9-107
12 Annotated Code of Maryland
13 (2001 Replacement Volume and 2004 Supplement)

14 BY adding to
15 Article - Tax - Property
16 Section 8-209.1
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 8-101.

23 (b) Real property is a class of property and is divided into the following
24 subclasses:

25 (1) land that is actively devoted to farm or agricultural use, assessed
26 under § 8-209 of this title;

27 (2) marshland, assessed under § 8-210 of this title;

1 (3) woodland, assessed under § 8-211 of this title;

2 (4) land of a country club or golf course, assessed under §§ 8-212 through
3 8-217 of this title;

4 (5) land that is used for a planned development, assessed under §§ 8-220
5 through 8-225 of this title;

6 (6) rezoned real property that is used for residential purposes, assessed
7 under §§ 8-226 through 8-228 of this title;

8 (7) operating real property of a railroad;

9 (8) operating real property of a public utility;

10 (9) CONSERVATION PROPERTY, ASSESSED UNDER § 8-209.1 OF THIS
11 TITLE; and

12 [(9)] (10) all other real property that is directed by this article to be
13 assessed.

14 8-209.1.

15 (A) IN THIS SECTION:

16 (1) SUBJECT TO ITEM (2) OF THIS SUBSECTION, "CONSERVATION
17 PROPERTY" HAS THE MEANING STATED IN § 9-107 OF THIS ARTICLE; AND

18 (2) "CONSERVATION PROPERTY" INCLUDES:

19 (I) LAND THAT IS SUBJECT TO A PERPETUAL CONSERVATION
20 EASEMENT THAT WAS ACCEPTED AND APPROVED BY THE BOARD OF PUBLIC WORKS
21 ON OR BEFORE JUNE 30, 1986; AND

22 (II) LAND AS TO WHICH THE PROPERTY TAX CREDIT UNDER § 9-107
23 OF THIS ARTICLE IS GRANTED, EVEN AFTER THE EXPIRATION OF THE TAX CREDIT.

24 (B) CONSERVATION PROPERTY SHALL BE VALUED AT A RATE EQUIVALENT TO
25 THE LOWEST RATE THAT IS USED TO VALUE LAND THAT IS ELIGIBLE FOR
26 AGRICULTURAL USE ASSESSMENT UNDER § 8-209 OF THIS SUBTITLE.

27 (C) NOTWITHSTANDING § 8-209(C) OF THIS SUBTITLE, CONSERVATION
28 PROPERTY IS NOT REQUIRED TO BE ACTIVELY USED FOR FARM OR AGRICULTURAL
29 PURPOSES TO BE ELIGIBLE FOR VALUATION AS PROVIDED IN THIS SECTION.

30 9-107.

31 (a) In this section, "conservation property" means land that is:

32 (1) unimproved;

1 (2) not used for commercial purposes; and

2 (3) subject to a perpetual conservation easement that is:

3 (i) donated to the Department of Natural Resources or the
4 Maryland Environmental Trust and identifies the Department of Natural Resources
5 or the Maryland Environmental Trust as a grantee under Title 3, Subtitle 2 of the
6 Natural Resources Article; and

7 (ii) accepted and approved by the Board of Public Works after June
8 30, 1986.

9 (b) There shall be a property tax credit granted under this section against the
10 property tax imposed on conservation property.

11 (c) On or before October 1 of the taxable year for which property tax relief
12 under this section is sought, an owner of conservation property may apply to the
13 Department for the property tax credit. The application shall be made on the form
14 that the Department provides.

15 (d) The property tax credit provided under this section shall be granted
16 against 100% of all property tax that otherwise would be due.

17 (e) [Valuation and assessment of conservation property shall be made in the
18 same manner as any other real property in the county] CONSERVATION PROPERTY
19 SHALL BE VALUED AND ASSESSED AS PROVIDED IN § 8-209.1 OF THIS ARTICLE.

20 (f) A property tax credit granted under this section is effective for 15
21 consecutive tax years beginning July 1 following the donation of the easement.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
23 effect June 1, 2005, and shall be applicable to all taxable years beginning after June
24 30, 2005.