
By: **Senator Dyson**

Introduced and read first time: January 28, 2005

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 15, 2005

CHAPTER_____

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:

1 **Article - Tax - Property**

2 8-101.

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

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

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

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

9 (4) land of a country club or golf course, assessed under §§ 8-212 through
10 8-217 of this title;

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

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

15 (7) operating real property of a railroad;

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

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

19 [(9)] (10) all other real property that is directed by this article to be
20 assessed.

21 8-209.1.

22 (A) IN THIS SECTION:

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

25 (2) "CONSERVATION PROPERTY" INCLUDES:

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

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

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

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

7 9-107.

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

9 (1) unimproved;

10 (2) not used for commercial purposes; and

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

12 (i) donated to the Department of Natural Resources or the
13 Maryland Environmental Trust and identifies the Department of Natural Resources
14 or the Maryland Environmental Trust as a grantee under Title 3, Subtitle 2 of the
15 Natural Resources Article; and

16 (ii) accepted and approved by the Board of Public Works after June
17 30, 1986.

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

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

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

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

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

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
32 effect June 1, 2005, and shall be applicable to all taxable years beginning after June
33 30, 2005.

