

(PRE-FILED)

By: **Delegate Levy**
 Requested: July 20, 2005
 Introduced and read first time: January 11, 2006
 Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Charles County - Property Tax - Payment Deferral**

3 FOR the purpose of authorizing the governing body of Charles County to provide, by
 4 law, a certain payment deferral of the county property tax for certain residential
 5 real property; requiring the governing body of Charles County under certain
 6 circumstances to specify certain amounts, restrictions, and income and age
 7 eligibility requirements for the payment deferral; authorizing the governing
 8 body of Charles County to provide a tax deferral for certain taxable years under
 9 certain circumstances; requiring the payment of certain deferred property taxes
 10 under certain circumstances; requiring the governing body of Charles County
 11 under certain circumstances to provide certain information in a taxpayer's
 12 annual property tax bill; requiring that a payment deferral be authorized by a
 13 certain written agreement; requiring certain written agreements to be recorded
 14 in certain land records; providing for a certain lien attachment under certain
 15 circumstances; and generally relating to property tax deferrals in Charles
 16 County for certain residential real property.

17 BY adding to
 18 Article - Tax - Property
 19 Section 10-204.4
 20 Annotated Code of Maryland
 21 (2001 Replacement Volume and 2005 Supplement)

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

24 **Article - Tax - Property**

25 10-204.4.

26 (A) NOTWITHSTANDING SUBTITLE 1 OF THIS TITLE, THE GOVERNING BODY OF
 27 CHARLES COUNTY MAY AUTHORIZE, BY LAW, A PAYMENT DEFERRAL OF THE COUNTY
 28 PROPERTY TAX FOR RESIDENTIAL REAL PROPERTY OCCUPIED AS THE PRINCIPAL
 29 RESIDENCE OF THE OWNER.

1 (B) AN OWNER IS ELIGIBLE FOR A PAYMENT DEFERRAL UNDER SUBSECTION
2 (A) OF THIS SECTION IF THE OWNER OR AT LEAST 1 OF THE OWNERS:

3 (1) HAS RESIDED IN THE DWELLING FOR A PERIOD OF AT LEAST 5
4 CONSECUTIVE YEARS; AND

5 (2) MEETS THE INCOME AND AGE ELIGIBILITY REQUIREMENTS
6 DETERMINED UNDER SUBSECTION (C) OF THIS SECTION.

7 (C) IF THE GOVERNING BODY OF CHARLES COUNTY AUTHORIZES A PAYMENT
8 DEFERRAL UNDER THIS SECTION, THE GOVERNING BODY SHALL SPECIFY:

9 (1) THE MINIMUM AGE OF AN OWNER TO DETERMINE ELIGIBILITY FOR
10 THE PAYMENT DEFERRAL;

11 (2) THE AMOUNT OF THE TAX THAT MAY BE DEFERRED;

12 (3) RESTRICTIONS ON THE AMOUNT OF THE REAL PROPERTY ELIGIBLE
13 FOR A PAYMENT DEFERRAL, EXCEPT THAT THE AMOUNT OF ELIGIBLE PROPERTY
14 MAY NOT BE LESS THAN THE DWELLING AND CURTILAGE, AS DETERMINED BY THE
15 SUPERVISOR;

16 (4) THE RATE OF INTEREST TO BE PAID ON THE COUNTY PROPERTY TAX
17 PAYMENT FROM THE DUE DATE WITHOUT A DEFERRAL UNTIL THE DATE THAT THE
18 COUNTY PROPERTY TAX IS PAID;

19 (5) THAT ANY MORTGAGEE OR BENEFICIARY UNDER A DEED OF TRUST
20 BE ENTITLED TO RECEIVE NOTICE OF THE DEFERRAL AND OF THE AMOUNT OF TAX
21 TO BE DEFERRED; AND

22 (6) THE LEVEL OF INCOME TO DETERMINE ELIGIBILITY FOR THE
23 PAYMENT DEFERRAL.

24 (D) THE COUNTY PROPERTY TAX THAT IS DEFERRED UNDER THIS SECTION
25 AND ANY INTEREST SPECIFIED IN SUBSECTION (C)(4) OF THIS SECTION ARE DUE:

26 (1) WHEN THE ELIGIBLE OWNER DIES; OR

27 (2) IMMEDIATELY UPON TRANSFER OF OWNERSHIP OF THE PROPERTY
28 FOR WHICH THE PROPERTY TAX HAS BEEN DEFERRED.

29 (E) THE GOVERNING BODY OF CHARLES COUNTY MAY PROVIDE, BY LAW, FOR
30 THE APPLICABILITY OF A TAX DEFERRAL UNDER THIS SECTION TO TAXABLE YEARS
31 PRIOR TO THE DATE OF THE HOMEOWNER'S APPLICATION FOR THE TAX DEFERRAL
32 IF THE HOMEOWNER MET THE REQUIREMENTS FOR ELIGIBILITY FOR THE TAX
33 DEFERRAL IN THE PRIOR TAXABLE YEARS.

34 (F) THE GOVERNING BODY OF CHARLES COUNTY SHALL SPECIFY THE
35 CUMULATIVE AMOUNT OF THE DEFERRAL AND RELATED INTEREST IN THE
36 TAXPAYER'S ANNUAL PROPERTY TAX BILL.

1 (G) (1) A LIEN SHALL ATTACH TO THE PROPERTY IN THE AMOUNT OF ALL
2 DEFERRED TAXES AND INTEREST.

3 (2) THE LIEN SHALL REMAIN ATTACHED UNTIL THE DEFERRED TAXES
4 AND INTEREST ARE PAID.

5 (H) (1) THE GOVERNING BODY OF CHARLES COUNTY SHALL AUTHORIZE
6 THE DEFERRAL BY WRITTEN AGREEMENT.

7 (2) THE AGREEMENT SHALL REFLECT THE TERMS AND CONDITIONS OF
8 THE DEFERRAL, INCLUDING NOTICE OF THE LIEN.

9 (3) THE AGREEMENT SHALL BE RECORDED IN THE LAND RECORDS OF
10 THE COUNTY.

11 (I) PENALTIES MAY NOT BE CHARGED DURING THE PERIOD OF THE
12 DEFERRAL ON ANY TAX PAYMENTS DEFERRED UNDER THIS SECTION.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 July 1, 2006.