
By: **Delegate Ross**

Introduced and read first time: February 8, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Transfer Tax - Exemption for Former Rental Property**

3 FOR the purpose of exempting from State transfer tax instruments of writing that
4 transfer improved residential real property from an owner who owned the
5 residential real property as a rental property to a home buyer who will occupy
6 the property as a principal residence; authorizing counties which have a county
7 transfer tax to provide for an exemption for instruments of writing that transfer
8 improved residential real property from an owner who owned the residential
9 real property as a rental property to a home buyer who will occupy the property
10 as a principal residence; and generally relating to exemptions from State and
11 local transfer tax.

12 BY adding to
13 Article - Tax - Property
14 Section 13-207(c) and 13-411
15 Annotated Code of Maryland
16 (2001 Replacement Volume and 2005 Supplement)

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

19 **Article - Tax - Property**

20 13-207.

21 (C) AN INSTRUMENT OF WRITING IS NOT SUBJECT TO TRANSFER TAX IF THE
22 INSTRUMENT OF WRITING TRANSFERS IMPROVED RESIDENTIAL REAL PROPERTY
23 FROM AN OWNER WHO OWNED THE RESIDENTIAL REAL PROPERTY AS A RENTAL
24 PROPERTY TO A HOME BUYER WHO WILL OCCUPY THE PROPERTY AS A PRINCIPAL
25 RESIDENCE.

26 13-411.

27 ANY COUNTY HAVING A COUNTY TRANSFER TAX MAY PROVIDE FOR AN
28 EXEMPTION FROM THE TAX FOR AN INSTRUMENT OF WRITING THAT TRANSFERS

1 IMPROVED RESIDENTIAL REAL PROPERTY FROM AN OWNER WHO OWNED THE
2 RESIDENTIAL REAL PROPERTY AS A RENTAL PROPERTY TO A HOME BUYER WHO
3 WILL OCCUPY THE PROPERTY AS A PRINCIPAL RESIDENCE.

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